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DUN'S REVIEW

A Weekly Survey of Business Conditions
in the United States and Canada

June 18, 1927

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WHOLESALE QUOTATIONS OF COMMODITIES

Corrected Each week to Friday

ARTICLE	This Week	Last Year	ARTICLE	This Week	Last Year	ARTICLE	This Week	Last Year
APPLES: Common.....bbl	4.00	3.00	Gambier.....lb	9 1/2	10 1/2	Palm, Lagos.....lb	7 1/2	9
Fancy.....bbl	7.50	9.00	Indigo, Madras.....lb	1.13	1.18	Petroleum, cr., at well.....bbl	2.90	3.65
BEANS: Marrow, choice 100 lb	6.75	7.25	Frusade potash, yellow.....lb	18 1/2	18 1/2	Kerosene, wagon delivery, gal	19	17
Pea, choice....." "	6.50	6.00	Indigo Paste, 20%.....lb	14 1/2	14 1/2	Gas's auto in gar., st. bbls	19	21
Red kidney, choice....." "	7.25	9.25	FERTILIZERS:			Min., lub., dark filtered B....." "	26 1/2	28
White kidney, choice....." "	7.1	6.75	Bones, ground, steamed 1 1/4% am., 60% bone phosphate, Chicago.....ton	28.00	28.00	Dark filtered D....." "	30	29 1/2
BUILDING MATERIAL:			Muriate soda.....100 lbs +	36.40	34.90	Paraffin, 903 spec. gr.....lb	24	23
Brick, Hudson R., com.....1550	15.50	17.00	Sulphate ammonia, domestic f.o.b. works.....100	2.40	2.55	Paraffin, 125 m. p.....lb	4 1/2	6 1/2
Portland Cement, Northampton, Pa., Mill.....bbl	1.85	1.85	Sulphate potash ba. 90%.....ton	47.30	45.85	Rosin, first run....." "	57	60
Lath, Eastern spruce.....1000	6.50	7.50	FLOUR: Spring Pat.....196 lbs +	7.60	8.00	Soya Bean, tank, coast, prompt....." "	9 1/2	10
Lime, f.o.b. factory, 200-lb bbl	1.90	1.90	Winter, Soft Straights....." "	6.75	7.25	Spot....." "	11 1/2	14
Shingles, Cyp. Pr. No. 1.....1000	15.00	13.00	Fancy Minn. Family....." "	9.25	10.25	PAINTS: Litharge, Am.....lb	19	10 1/2
Red Cedar, clear.....1000	5.96	4.56	GRAIN: Wheat, No. 2 R.....bu	1.58 1/2	1.73 1/2	Ochre, French....." "	3 1/2	3 1/2
BURLAP, 10 1/2-in. 40-in. yd +	9.09	8.95	Corn, No. 2 yellow....." "	1.16 1/2	85 1/2	Paris, White, Am.....100	1.25	1.25
8-oz. 40-in....." "	6.85	6.90	Oats, No. 3 white....." "	58	80 1/2	Red Lead, American....." "	1.75	11 1/2
COAL: f.o.b. Mines.....ton			Rye, No. 2....." "	1.28 1/2	103 1/2	Vermilion, English....." "	1.43	1.43
Bituminous:			Barley, maiting....." "	1.03	83 1/2	White Lead in Oil....." "	14 1/2	10 1/2
Navy Standard....." "	\$2.60-\$2.85		Hay, No. 1.....100	1.35	1.05	Whiting Commercial....." "	1.00	85
High Volume Steam....." "	1.50-1.75		Straw, lg. rye, No. 2....." "	1.35	1.05	Zinc, American....." "	9 1/2	7 1/2
Anthracite:			HEMP: Midway, ship.....lb	16 1/2	15	" F. P. R. S....." "	3.25	3.50
Chestnut (Independent)....." "	8.25-8.50		HIDES, Chicago:			PAPER: News roll.....100 lbs	3.25	3.50
Pea (Independent)....." "	5.50-6.00		Packer, No. 1 native.....lb	19 1/2	13 1/2	Book, S. S. & C....." "	6.50	7
Stove (Company)....." "	9.00-9.10		No. 1 Texas....." "	18	12 1/2	Writing, tub-sized....." "	10	10
Chestnut (Company)....." "	6.00-6.50		Colorado....." "	17 1/2	12	No. 1 Kraft....." "	6.25	6.25
COFFEE, No. 7 Rio.....lb	14 1/2	20 1/2	Cow & heavy native....." "	18	12 1/2	Boards, straw....." "	40.00	42.50
" Santos No. 4....." "	11 1/2	22 1/2	Branded Cows....." "	17 1/2	10	Boards, wood pulp....." "	75.00	55.00
COTTON GOODS:			No. 1 buff hides....." "	20	12 1/2	Sulphate, Dom. bl.....100 lbs	3.75	67.50
Brown sheetings, Standard.....yd	11 1/2	13	No. 1 extremes....." "	17	13 1/2	Old Paper No. 1 Mix.....100	37 1/2	45
Wide sheetings, 10-8....." "	52	56 1/2	No. 1 Kip....." "	17	13 1/2	PEAS: Yellow split....." "	6.00	5.75
Bleached sheetings, stand....." "	11 1/2	17 1/2	No. 1 califkins....." "	17 1/2	14 1/2	PLATINUM.....oz	68.00	108.00
Medium....." "	9	10	Chicago City califkins....." "	21	17 1/2	PROVISIONS, Chicago:		
Brown sheetings, 4 yd....." "	8	8	HOPS: N. Y. prime '26....." "	55	55	Beef, steers, live.....100 lbs +	11.85	10.25
Standard prints....." "	11	13 1/2	JUTE: Shipment....." "	6 1/2	7	Hogs, live....." "	8.85	14.45
Brown drills, standard....." "	11	13 1/2	LEATHER:			Lean N. Y. Mid. W....." "	31.00	16.95
Staple ginghams....." "	7 1/2-7 3/4	7 1/2-7 3/4	Union backs, t.r....." "	46	38	Pork, mess.....bbl	16.25	39.75
Print cloths, 58 1/2-in. 64x60	32-34	34-35	Scoured oak backs, No. 1....." "	50	43	Lamb, best fat.....100 lbs	6.75	7
Hose, belting duck....." "	52-54	54-55	Belting, Butts, No. 1, light....." "	60	58	Sheep, fat ewes....." "	12.25	19.00
DAIRY:			Western Hemlock, No. 1 Rough.....per M ft	32.50	30.50	Short ribs, sides 1 1/2.....lb	19	22 1/2
Butter, creamery, extra.....lb	42	40 1/2	White Pine No. 1....." "	71.00	71.00	Bacon, N. Y., big, in tce....." "	7 1/2	8 1/2
Cheese, N. Y., Fresh spec....." "	24 1/2	21 1/2	Barn, 1 1/4....." "	159.00	159.00	Tallow, N. Y., sp. loose....." "	5	7 1/2
Cheese, N. Y., fine held spec....." "	27	28	FAS Quartered Wh. Oak, 4/4....." "	120.00	119.00	RICE: Dom. Fancy head....." "	8	8 1/2
Eggs nearby, fancy.....dos. +	31	38	FAS Plain Wh. Oak, 4/4....." "	115.00	107.00	Blue Rose, choice....." "	3.75	3.75
Fresh gathered, firsts....." "	22 1/2	29	FAS plain Red Gum, 4/4....." "	120.00	121.50	Foreign, Saigon No. 1....." "	731	34
DRIED FRUITS:			FAS Ash 4/4....." "	110.00	112.00	PLAN, lat Latex crude....." "	36	45
Apples, evaporated, choice.....lb	9 1/2	11 1/2	Beech No. 1 Common, 4/4....." "	48.00	50.00	SALT: Table.....200-lb. sack	1.90	2.15
Apricots, choice 1926....." "	19 1/2	25	FAS Birch, Red, 4/4....." "	125.00	135.00	Mackerel, Norway fat No. 3.....bbl	10.00	22.00
Citron, imported....." "	22	42	FAS Cypress, 4/4....." "	96.25	102.50	Cod, Grand Banks.....100 lbs	10.00	10.00
Currants, cleaned....." "	11 1/2	10	FAS Chestnut, 4/4....." "	105.00	105.50	SILK: Italian Ex. Clas.....lb	6.50	6.00
Lemon peel....." "	15	17	No. 1 Com. Mahogany, 4/4....." "	165.00	175.00	Japan, Extra Crack....." "	98	1.10
Orange peel....." "	16	18	FAS H. Maple, 4/4....." "	90.00	105.00	Cloves, Zanzibar....." "	21 1/2	25 1/2
Peaches, Cal. standard....." "	8	21	Canada Spruce, 2 1/4....." "	36.50	36.50	Nutmegs, 105s-110s....." "	37	46
Prunes, Cal., 40-50, 25-lb. box	8 1/2	9 1/2	N. C. Pine, 4/4....." "	56.25	60.50	Slings, Cochiti....." "	31	24
Raisins, Mal. 4-cr....." "	8 1/2	8 1/2	Edge, under 12" No. 2 and Better....." "	63.00	69.00	Pepper, Lampong black....." "	47	35
DRUGS AND CHEMICALS:			Yellow Pine, 3 1/2....." "	80.00	80.00	" Singapore, white....." "	30	10 1/2
Acetanilid, U.S.P., bbls.....lb	35	35	FAS Basswood, 4/4....." "	34.00	31.50	SUGAR: Cent. 96.....100 lbs	4.50	4.18
Acid, Acetic, 28 deg.....100	3.37 1/2	3.25	Common Fir, Rough....." "	78.00	83.00	Fine gran., in bbls....." "	6.00	5.40
Carbolic, drums....." "	22	25	Cal. Redwood, 4/4....." "	31.75	32.75	TRA: Formosa, fair.....lb	24	24
Citric, domestic....." "	45 1/2	44 1/2	Roofers, 13/16x3....." "	21.78	23.76	Japan, low....." "	34	35
Muriatic, 18.....100	8.60	8.5	Pig Iron: No. 2X, Ph.....ton	18.00	18.50	Best....." "	60	60
Nitric, 42....." "	11	11	Bessemer, Pittsburgh....." "	20.78	21.26	Hyson, low....." "	26	35
Oxalic....." "	11 1/2	13 1/2	Gray forge, Pittsburgh....." "	19.26	20.76	Firsts....." "	45	45
Stearic, double pressed....." "	52 1/2	52 1/2	No. 2 South Cincinnati....." "	33.00	35.00	TOBACCO, Louisville '26 crop:		
Sulphuric, 60.....100	52 1/2	52 1/2	Billets, Bessemer, Pittsb'h....." "	39.00	40.00	Burley Red-Com., shf.....lb	8	10
Tartaric crystals....." "	22.00	22.00	Open-hearth, Philadelphia....." "	39.30	40.30	Common....." "	12	13
Fluopar, g'val, 85% mi.....ton	35.00	45.00	Wire rods, Pittsburgh....." "	42.00	45.00	Medium....." "	27	25
" Acid, 98%....." "	3.86	4.94 1/2	O-h. rails, at mill....." "	43.00	43.00	Burley-colory-Common....." "	13	16
Alcohol, 100 proof U.S.P., gal	66	58	Iron bars, ref. Phila.....100 lbs	2.00	2.00	Medium....." "	15	19
" wood, 95%....." "	43	28	Steel bars, Pittsburgh....." "	1.80	2.00	VEGETABLES: Cabbage.....bbl	4.00	4.00
denatured, form 5....." "	3.35	3.35	Tank plates, Pittsburgh....." "	1.80	1.90	Onions.....bag	3.00	2.50
Alum, lump.....lb	10 1/2	10 1/2	Beams, Pittsburgh....." "	1.80	1.90	Potatoes.....bbl	3.00	5.00
Ammonia carbonate dom....." "	3 1/2	3 1/2	Sheet, black, No. 24 Pittsburgh....." "	3.00	3.25	Turnips, rutabagas....." "	1.00	1.00
Arsenic, white....." "	3 1/2	3 1/2	Galv. Sheets No. 24, Pitts....." "	2.50	2.65	WOOL, Boston:		
Balsam, Copaiba, S. A.....gal	53	45	Coke Connellsville, oven.....ton	3.25	3.35	Average 85 quot.....lb	63.55	67.08
Pir, Canada....." "	12.00	11.50	Furnace, prompt ship....." "	3.85	4.50	Ohio & Pa., Fleeces:		
Peru.....lb	1.65	1.75	Foundry, prompt ship....." "	4.00	4.00	Delaine Unwashed....." "	43	44
Beeswax, African, crude....." "	38	41	Aluminum, pig (ton lots).....lb	28	27	Delaine Combing....." "	43	43
white, pure....." "	58	62	Antimony, ordinary....." "	12 1/2	11	Half-Blood Combing....." "	36	41
Bicarbonate soda, Am.....100	2.25	2.41	Copper, Electrolytic....." "	6.57 1/2	7 1/2	Half-Blood Cloth....." "	35	35
Bleaching powder, over 34%.....100	4	2.00	Lead, N. Y....." "	6.40	6.1	Common and Brail....." "	35	35
Borax, crystal, in bbl....." "	23.00	23.00	Tin, N. Y....." "	67 1/2	61 1/2	Mich. and N. Y. Fleeces:		
Brimstone, crude dom.....ton	1.96	1.45	Tinplate, Pittsb'h, 100-lb. box	5.50	5.50	Delaine Unwashed....." "	41	43
Calomel, American.....lb	72	84	MOLASSES AND SYRUP:			Half-Blood Combing....." "	42	42
Camphor, domestic....." "	14.00	14.00	Blackstrap-bbls.....gal	13 1/2	13	Common and Brail....." "	35	35
Castile soap, white.....case	13 1/2	12 1/2	Extra Fancy....." "	27	20	Mich. and N. Y. Fleeces:		
Castor Oil, No. 1.....lb	8.00	8 1/2	Syrup, sugar, medium....." "	27	20	Delaine Unwashed....." "	41	43
Caustic soda 76%.....100	3.00	3 1/2	NAVAL STORES: Pitch.....bbl	10.00	8.50	Half-Blood Combing....." "	42	42
Chlorate potash....." "	30	30	Rosin, B....." "	10.00	12.50	Half-Blood Cloth....." "	35	35
Chloroform....." "	8.00	8.00	Tar, kiln burned....." "	16.00	15.50	Common and Brail....." "	35	35
Cocaine, Hydrochloride....." "	8.00	8.00	Turpentine.....gal	58	88	Texas, Scoured Basis:		
Cocoa Butter, bulk.....bbl	44.00	27.00	OILS: Coconut, Spot N. Y. lb	8 1/2	10 1/2	Fine, 12 months....." "	1.05	1.10
Codliver Oil, Norway.....lb	2.50	1.85	Crude, tka, f.o.b. coast....." "	19 1/2	12 1/2	Fine, 8 months....." "	90	98
Cream tartar, 90%....." "	11 1/2	9	China Wood, bbls, spot....." "	17 1/2	17 1/2	California, Scoured Basis:		
Epsom Salts.....100	2.50	1.85	Crude, bbls, f.o.b. coast....." "	63	63	Northern....." "	1.00	1.05
Formaldehyde....." "	11 1/2	9	Corn, crude....." "	8 1/2	13 1/2	Southern....." "	72	85
Glycerine, C. P., in bulk....." "	25 1/2	27	Cottonseed....." "	14	14	Northern....." "	1.05	1.10
Gum-Arabic, picked....." "	22	19	Crude, tka, at Mill....." "	14	14	Southern....." "	90	93
Benoin, Sumatra....." "	65	61	Extra, No. 1....." "	11 1/2	12 1/2	Territory, Scoured Basis:		
Gamboge....." "	1.25	1.00	Lined, city raw....." "	11.8	11.9	Fine Staple Choice....." "	1.05	1.10
Shellac, D. C....." "	63	58	Neatfoot, pure....." "	13 1/2	16 1/2	Half-Blood Combing....." "	95	98
Tragacanth, Aleppo 1st....." "	1.50	1.55	ADVANCE FROM PREVIOUS WEEK. ADVANCES, 21. — Decline from previous week. Declines, 29.			Fine Clothing....." "	1.08	1.15
Licorice Extract....." "	15	19				Full-De: Delaine....." "	92	100
Powdered....." "	33	33				Fine Combing....." "	65	67
Root....." "	12 1/2	12 1/2				California Fine....." "	1.00	1.10
Menthol, cases....." "	4.25	4.50				WOOLEN GOODS:		
Morphine, Sulph., bulk.....oz	7.85	7.35				Standard Clay Wor., 16-oz. yd	3.05	3.25
Nitrate Silver, crystals....." "	39 1/2	44 1/2				Serge, 16-oz....." "	2.27 1/2	2.52 1/2
Nux Vomica, powdered.....lb	7 1/2	7 1/2				Serge, 16-oz....." "	3.17 1/2	3.50
Opium, jobbing lots....." "	12.00	12.00				Fancy Cassimere, 13-oz....." "	1.95	2.85
Quicksilver 75-lb. flask....." "	116.00	91.25				36-in. all-worsted serge....." "	57 1/2	65
Quinine, 100-oz. tins.....oz	40	40				36-in. all-worsted Panama....." "	55	62 1/2
Rochelle Salts.....lb +	23	20				Broadcloth, 64-in....." "	4.12 1/2	4.82 1/2
Sal ammoniac, lump....." "	11 1/2	11						
Sal soda, American.....100	90	130						
Saltpetre, crystals....." "	7 1/2	7 1/2						
Sarsaparilla, Honduras....." "	53	68						
Soda ash, 58% light.....100	1.32 1/2	1.38						
Soda benzoate....." "	50	50						
Vitriol, blue....." "	4.90	4 1/2						
DYES/STUFFS—Ann. Can.: lb.	34	39						
Bl-chromate Potash, am....." "	9 1/2	8 1/2						
Cochineal, silver....." "	71	94						
Cutch....." "	15	16						

+ Advance from previous week. Advances, 21.

— Decline from previous week. Declines, 29.

* Carload shipments, f.o.b. New York. † Quotations nominal.

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STATISTICAL RECORD

Latest Week:	1927.	1926.
Bank Clearings	\$9,997,116,000	\$9,390,748,000
†Crude Oil Output (bbbls.)..	2,498,450	2,014,150
Freight Car Loadings	911,298	944,864
Failures (number)	402	400
Commodity Price Advances ..	21	31
Commodity Price Declines ..	29	29
Latest Month:		
Merchandise Exports	\$394,000,000	\$356,600,000
Merchandise Imports	346,000,000	320,919,000
Building Permits	238,554,000	276,921,300
Pig Iron Output (tons)....	3,387,370	3,481,428
Unfilled Steel Tonnage....	3,050,941	3,649,250
Cotton Exports (bales)....	628,132	419,459
*Cotton Consumpt'n (bales)	633,024	516,376
Dun's Price Index	\$187,221	\$188,072
Failures (number)	1,852	1,730

† Daily average production.
* Domestic mill consumption.

channels, where better weather has given a stimulus to demand for seasonable goods. It has been shown conclusively by the statistics of railroad freight traffic that the movement of general merchandise has been remarkably well sustained, despite conditions which have tended to reduce consumption in some sections, and returns of bank clearings continue to be decidedly favorable.

Preliminary returns of May foreign trade were issued this week, and disclosed satisfactory results. At about \$394,000,000, last month's merchandise exports were more than \$37,000,000 above those of a year ago, while the imports, at \$346,000,000, gained \$25,000,000. The so-called favorable balance, or the excess of exports over imports, was \$48,000,000 in May, against around \$36,000,000 in that month of 1926. No other May since 1922, in fact, has shown so large an excess of exports as was reported last month. For eleven months of the fiscal year, moreover, the shipments of goods from this country have been about \$200,000,000 above those of the immediately preceding year. Imports, in contrast, have fallen off nearly \$230,000,000.

During the first five months of this year more than 3,100,000 bales of cotton were taken by American mills, while the exports for the same period approximated 4,700,000 bales. The domestic consumption shows a gain of a little more than 9 per cent. over the total for the corresponding months of 1926, and the shipments abroad, meantime, rose more than 70 per cent. The latter fell rather sharply in May, but exceeded those of a year ago, and the takings by home spinners also surpassed the amount for the earlier year. At around 17c., the local price for spot cotton is about 1½c. a pound below that of a year ago, but it is well above the basis prevailing before the serious floods in the Mississippi Valley occurred. Comparing with the quotation at the end of April, an advance of nearly 1½c. is shown.

The current week was featured by government financial operations of unusual magnitude. The Treasury paid off more than \$375,000,000 of maturing short-term securities and about \$70,000,000 in interest on Liberty and other bonds, and there was a sale of \$250,000,000 of new 3½ per cent. bonds. Besides these transactions, corporations distributed approximately \$150,000,000 in dividends and interest, while Federal income taxes involved some \$500,000,000. As a result of these dealings, there was a temporary excess of funds available in the money market and the call loan rate ruled at 4 per cent. during most of the week. There was, however, a slightly firmer undertone in accommodation for the fixed periods, with more demand from the interior.

THE WEEK

IT does not appear that the contraction of activity which normally occurs in most commercial lines at this period is especially marked now, and in certain quarters it is less conspicuous than that which was witnessed a year ago. Not all results equal the high levels attained in 1926, yet there are instances of gain and among these is the record of foreign trade for May. The many irregularities in the present situation, with some admittedly unfavorable aspects, are not surprising, in view of the extensive ramifications of business. A Spring season that has been notable for inclement weather has not brought any general depression, though obviously hurting crops and retail distribution, and even the flooding of a wide area along the Mississippi River, with heavy property damage and a curtailment of buying power, has not seriously weakened confidence. Nearly three months of the bituminous coal strike, moreover, has had no far-reaching influence, and the conclusion is natural that the effects of such adverse phases have been minimized by the sound underlying conditions. Under other circumstances, the combination of untoward developments might conceivably have caused a different status than prevails now. An early sharp break in stock prices this week, which apparently was the outcome of factors within the market itself, was quickly checked, and the resiliency of standard dividend-paying issues has for a long time been an outstanding feature. The earnings of representative corporations in various fields, if not in every case at their maximum, are large, even though profit margins on many individual transactions have been narrowed appreciably by declining commodity prices this year. For several consecutive weeks, advances in wholesale quotations have predominated, but the upward trend has been mainly in foodstuffs, such important products as iron and steel remaining on a low basis. In regular commercial operations, the principal increase of late has been in retail

Only scattered changes appear in quotations on steel products, yet there is a perceptibly easier undertone in certain of the heavier forms of material. Concessions on bars, plates and shapes are heard of more frequently, and a composite price for finished steel is down a little this week. Similarly, pig iron has declined in some districts, though on more active buying. The demand for steel, while showing another reduction, continues to be widely diffused, and consumption is running beyond recent expectations. As a whole, output is above that of a year ago, and it is quite natural, of course, for a decline to occur at this season. Before long, figures of production for the first half of this year will be available, and it would not be surprising if they exceed the record total for the corresponding period of 1926.

The effects of the recent better weather in different sections have been showing up more clearly in retail dry goods trade. Temperatures in some localities have continued too low for the best results, but the movement of merchandise to consumers has made a distinct gain, on the whole. The buying power, however, is less in certain industrial areas and in the flooded districts along the Mississippi River, and there is a gradual getting away from the very fancy fabrics that previously had such a wide vogue. Where a curtailment of production has occurred, it is more noticeable in silks and in woollens than in cottons or knit goods. It is believed that the woolen industry has passed the low point of the year, but there is no evidence now of a rapid recovery in that direction. Meanwhile, further advances have occurred in some cotton goods prices.

GENERAL BUSINESS CONDITIONS

Eastern States

BOSTON.—More seasonable weather has resulted in better business in almost all lines, though few concerns have, as yet, made up for the falling-off in sales during May. The wool market has been active during the week, inquiries are increasing and prices are tending upwards. The chief interest is in domestic wools. Higher prices are being paid in the West, and dealers are buying the clip in increasing quantities. Stocks in the hands of the dealers are considerably less than at this time last year. Current arrivals are heavy, 13,566,000 pounds having been received last week. Total receipts to date are 145,286,000 pounds, as compared with 192,051,000 pounds to date last year. Overcoatings are selling well and the men's lines are moderately active, but the women's goods are slow. A few mills have orders on hand to insure activity for three or four months, but others are not so fortunate. Worsted yarn prices also are increasing, and the outlook is improving. Sales of other kinds of woolen yarns are increasing, but some spinners have not been able to get their prices.

Sale of cotton goods in the primary markets is increasing, and activity in all lines is on a much higher plane than a year ago. Fine goods are active, and prices on all counts are well maintained. Cotton yarns are more active, but the market is somewhat spotty. Hides and skins apparently have ceased to advance, but sales are light. Advances are recorded in sole leather, with moderate stocks reported, and some buying on the part of the manufacturers. Other kinds of leather are firm. Manufacturers are looking forward to better business and are receiving their share of current orders. Retail business has improved considerably. Tanning materials are spotty and dyestuffs are in moderate demand. Chemicals are moving well.

Building contracts awarded in New England during the past week amounted to \$7,783,000, as compared with \$9,445,000 for the same week last year. Contracts let during May of this year in New England amounted to \$41,426,000, which was 12 per cent. below last year's record. Building lumber is quiet and prices are steady. Sales of heavy building materials have been increasing.

Hardwood continues without much change, either in volume or prices. Wholesalers report their sales of dry goods, notions and women's furnishings increasing and men's furnishings are displaying much more activity. Registrations of automobiles fell off about 16 per cent. from May last year so that total registrations now are somewhat below last year's record. Tire sales have improved considerably, and accessories are selling well. Second-hand cars are moving better, but the sale of new cars is lagging.

NEWARK.—More seasonable and open weather has contributed to some further improvement in the demand for wearing apparel for early Summer, but the volume of trade in this line is below that of a year ago. Shoes and footwear generally are reported fairly active, while silk hosiery, notions and fancy goods continue in demand. There is little change to note in sales of groceries and provisions at retail, with fruits and vegetables in ample supply at steady price levels. Radio sets and parts continue very quiet. There is little change in construction work. Operations in new buildings are below those of a year ago, while stocks of materials, including lime and cement, are in ample supply, with no noticeable tendency toward higher price levels.

Industry and manufacturing continue to be rather quiet, on the whole, but to date this has not been sufficiently marked to have an influence on labor, which is fairly well employed, despite one or two unadjusted strikes of local importance. The general volume of transactions, as registered by the clearing house association, is slightly below that for the same period last year. At the same time, bank deposits are relatively large and in ample supply at the usual interest rates.

PHILADELPHIA.—Business in general reveals a slowing down, with volume of sales in many quarters considerably under the record for the same period a year ago. Dry goods commission merchants, however, find that owing to the advancing cotton market business is far better this year than it was at this time in 1926. Buyers already are anticipating their Fall requirements, and dealers have five or six times as much business on their books today as they did a year ago. The millinery business continues fair, but cotton yarns have slowed up quite a bit, and no improvement is anticipated until after the first of July. The wool business has picked up considerably, with outlook good and prices firm.

With manufacturers of women's wear, there is but little activity, and with makers of men's clothing sales are not running much ahead of the total of 1926. There has been considerable activity in the shoe and leather industry this week, except in the extreme novelty grades. The more exclusive retail shops are reporting increased activity.

In the furniture trade, instalment sales are about holding their own, but there has been quite a drop in cash sales. With manufacturers of fabric bags, demand is better than it was a year ago. Manufacturers of wallpaper, however, are not equaling the sales volume of 1926. The sales in the automotive and radio lines this week ran approximately 10 per cent. behind the record of the corresponding week a year ago. There has been a further recession in demand for plumbing supplies during the week, due to the decline in building operations.

PITTSBURGH.—Trade with both retailers and jobbers has been retarded by unfavorable weather, and has been below normal the first half of June. There has been no improvement in the demand for dry goods and furnishing goods. Men's and women's wearing apparel are not very

active, and shoes are moving at a rate considerably below normal. Seasonable lines of hardware are selling at a somewhat higher rate. Machinery and mine equipment lines are dull. Lumber and building materials are fairly active, with considerable construction work in progress. Brick layers, who went on strike June 1, were granted their demands for an increase of 60c. per day, and now receive \$13.60. Groceries, provisions and confectionery are all below normal in volume of sales.

Industrial operations do not show much change. Electrical equipment, particularly for transmission purposes, is quite active. Demand for both plate and window glass is disappointing, and prices are too low to be satisfactory. Improved demand for sanitary and heating equipment is reported. Crude oil production shows a slight decrease, but is still higher than the rate of consumption.

The bituminous coal market continues quiet and featureless. There is little current demand and production still is averaging around 8,000,000 tons weekly. Prices show little change, and Western Pennsylvania grades are quotable per net ton at mines as follows: Steam coal, \$1.30 to \$1.90; coking coal, \$1.70 to \$1.90; gas coal, \$2; steam slack, \$1.25; and gas slack, \$1.40 to \$1.50.

BUFFALO.—More seasonable weather the past week has created a noticeable quickening in retail sales of seasonable merchandise. Retail distribution is expected to show a marked increase within the next few weeks. Some doubt, however, is expressed as to whether retailers will be able to make up for the slow Spring buying earlier in the season. Price reductions have in some instances been resorted to in order to clean shelves of Spring stocks. Sporting goods and camp equipment are showing some activity, but the cool weather has prevented any active sales along these lines. The retail distributor apparently is in a much better position to meet his bills, owing to the hand-to-mouth policy of buying. Women's wearing apparel still is backward, awaiting the advent of warmer weather. The building of residential structures appears to have fallen off and operations are confined largely to the building of apartment houses and larger buildings. The sale of women's footwear is reported to be showing considerable activity. Men's wear is only in fair demand. Prices of seasonable merchandise show little change from those of one year ago.

Southern States

ST. LOUIS.—With more settled and seasonable weather, the number of orders received during the current week have shown a good increase over the number received last week and even an increase over those for the corresponding week last year. All retail distribution of seasonable lines of merchandise has been active. In dry goods, the particular call has been for wash fabrics. Prices of cotton has advanced, and with cotton goods below replacement cost, merchants have been more liberal with their orders for immediate requirements. In other lines of goods for common consumption, sales for future delivery continue to show substantial gains.

City retail business continues good and there has been some slight increase in rural districts, as roads again have become passable. Wholesale hardware is showing some signs of increase, but farming implements and tools still are lagging. While building operations have become fairly active, there has not been much change in the lumber market locally. The high waters still are curtailing production in quite a few Southern mills, but a number of hardwood mills have resumed production. West Coast products have shown a tendency to be stronger.

The Missouri crop market indicates June condition of wheat to be 77 per cent. of normal; plants are yellow in low ground, but in nearly all well-drained uplands, the crop looks good. Conditions generally have been lowered by rust, hail, excessive rains, standing water and overflows. Corn is only 60 per cent. of normal, and is about three weeks later than usual. Oats are 69 per cent. Hay crop is generally favorable, as are clover and timothy, but Missouri farmers need warm sunny weather. The flour trade has improved slightly, as buyers have been forced to purchase, as stocks have begun to run down. Demand is in scattered small lots for prompt to thirty-day shipment.

Export flour business is of little consequence; some sales are reported to Rotterdam, and some small lots have gone to South America.

BALTIMORE.—There has been some improvement generally during the week, and seasonal merchandise has been moving more actively, although current trade is slightly under the level for the corresponding 1926 period. Plants generally are not running at full capacity but the rate of operations is considered satisfactory when present conditions in the industrial world are taken into consideration. Buying on the part of distributors continues conservative and, in consequence, both wholesalers and retailers are carrying subnormal inventories. The soft coal strike is now going into the third month but current non-union production is heavy and there appears to be no danger of any shortage, but present prices are not satisfactory. The oil industry is still in a state of depression, due to overproduction and slashing of prices. Recent efforts to curtail crude output have not been very successful. Automobile distributors report that trade is not up to expectations despite some recently announced reductions. Accessory houses are doing well. Tire prices are evidencing a softening tendency, due partly to a recession in crude rubber quotations and cuts on the part of some manufacturers.

Wholesale paint and wallpaper distributors say that climatic conditions have affected adversely Spring business, and current trade is below that of June, 1926. Hardware jobbers are doing only fairly well, and competition in this line continues unusually keen. There has been some improvement in the electrical supply trade. Conditions in the footwear industry still are unsatisfactory, and collections are rather tardy. The textile lines are spotty. There is little demand for cotton and rayon fabrics, but woolsens are still lagging. Wholesale paper trade is about normal but demand for stationery supplies has slackened. Machinery houses report a rather quiet business. Furniture plants are not running full time, but instalment houses specializing in this line report that seasonal sales are about normal. There is a fairly good demand for household supplies and wholesale drug distributors say that current business is satisfactory. Jobbers of plumbing supplies are somewhat disappointed and report trade 20 per cent. under the level of last Spring.

Maryland leaf tobacco receipts continue to increase, the total for the week being 1,355 hogsheds, against sales of 1,074 hogsheds. The demand is active for all but greenish and nondescript grades. Grain market is quiet. Arrivals are light but elevator stocks are heavy. Quotations are somewhat easier, livestock receipts are rather light, both cattle and hogs, and prices are steady. The fruit and vegetable packing industry continues uncertain. Statistical reports say that canners' crops are very backward. Early pea crop is good in quality, but there has been a 25 per cent. cut in acreage. Cold, rainy weather has caused an immense amount of corn replanting, and there has been uneven germination in other fields.

Canned tomatoes have strengthened somewhat. The spot market may be cleaned up before the arrival of the new pack, and this fact has stimulated better buying. Egg market is firmer in tone, but is falling off in shipments. In the butter market, the conditions are exactly opposite. Receipts have shown a considerable increase without any improvement in demand, and the price tendency has been easier. Live poultry is slow and prices of both young chickens and fowl have sagged considerably from the figures of a week ago. New potatoes have slumped markedly during the week. Importations from Canada and a heavy Virginia crop depressed prices. Old potatoes are in slight demand. Strawberries have firmed up somewhat, but demand continues good despite the fact that other berries and fruits are appearing in the local market. Watermelons are easier and peaches are beginning to arrive.

NEW ORLEANS.—Wholesalers report business rather quiet in practically all lines. There has been a falling-off in the retail trade, though there is not a great deal of unemployment and retailers are having comparatively a better volume of business than the wholesalers. Building operations have shown a slight decrease, though there is considerable construction work under way. The material costs are slightly lower, though labor is being employed at former wages. Weather conditions have been a little more favorable for growing crops.

Rice quotations are firm, and while there has been only a moderate demand from domestic sources, there has been an increase in the export demand, which has had its sustaining influence on the market. Sugar has been moderately active, and quotations are practically unchanged. The cotton market has experienced rather active trading, which has caused fluctuations in quotations, though the difference in price has been small. Stocks and bonds were unusually quiet all week.

Western States

CHICAGO.—While the period of recession has continued in the last week, due to adverse weather conditions, business now is exhibiting tendencies toward a sharp reaction from the dulness that has prevailed for some time. With the weather showing favorable signs, it is expected that most lines not only will resume their normal activity, but will retrieve some of the ground lost during April and May.

Merchandising lines now are preparing for one of the big events of the year, the pre-inventory clearance sales which will be held next week. Leaders are hoping confidently that they will produce sufficient momentum to ward off the Summer decline for several weeks. The unusual weather has brought about a condition which has affected nearly every line of business. Whereas in former years, the Spring buying impetus got a good start and reached a peak around Memorial Day, the present season had a sluggish beginning. The clearance sales, combined with the more reasonable weather which now seems to be in the offing, are expected to add considerable impetus to trade. Orders from the Southeast and the West continue to be an important factor in Chicago markets. Retail sales showed a slight improvement over those of last week. A considerable increase in the volume of business is reported by the leading wholesalers. Cotton goods sales began the usual Summer pick-up.

A feature of the week in real estate was the remarkable increase in building permits. Renting operations continued at a slow pace. Car-loadings reported by the principal railroads entering Chicago showed a slight decrease for the first half of June, compared with those for the same period last year.

The packing trade has shown considerable improvement over last week. Exports, however, continue quiet. Live-stock trade took a brisk turn. With light receipts of cattle, steers advanced 15c. to 25c. higher, cows and heifers rose 10c. to 25c., and bulls remained somewhat steady. After a slump on Monday, hog prices rose 10c. to 15c. in Tuesday's trading. The reverse condition prevailed in regard to lambs. After a short supply and a consequent rising of prices earlier in the week, liberal consignments caused a break of 50c. to \$1. Butter and egg prices were firm with no changes. Trade in packer hides was slow, with prices fairly steady.

Slight advances were made in mine run varieties of coal. Smokeless grades were quiet, with no variations in demand. Consumers continued their policy of only buying for immediate needs. With the advent of Summer, the retail trade took a decided slump.

CINCINNATI.—While the variable weather has had a restraining effect in most of the distributing markets, the volume of business closely approaches the seasonal average and less complaint is heard of the irregular price trend which had existed for quite a period. Department store sales are holding up well, intensive advertising being required to produce results and consumers are, if anything, more critical as to prices. Suburban stores and the general run of small merchants find business somewhat depressed. Demand for staple cotton goods continues the outstanding feature of the dry goods trade, and the strengthening of prices is inducing buyers to give more attention to future needs.

Building operations are sufficiently large to give full employment to the building trade, but in some industrial lines there is more or less curtailment of operations and consequently only part-time employment to workers. Continued cool and rainy weather has prolonged the planting season, but, in the main, business is stable and holding about even with that of last year. Prices are steady. Sales and shipments of pig iron were slightly improved, consumers' stocks are small and some business for third quarter delivery is developing. Following an active period, demand for foundry coke has quieted down with prices unchanged.

CLEVELAND.—The past week brought no noteworthy changes in the trade situation, as a whole. Iron and steel and the metal trades generally continue at about the same level. A few plants producing sheet metal and structural steel are slightly increasing working forces. Wholesale dealers in hardware, electrical goods, dry goods, shoes, food-stuffs, ready-to-wear clothing and most other staple lines report buying for immediate needs. Keen competition is reducing prices and cutting profits.

Industrial and commercial building construction is sporadic, although costs of material and labor hold firm, with indications of a sharp rise in hardwood lumber. Paint and varnish manufacturers report business satisfactory, probably better than it was last year, with raw material prices declining. Coal and coke production is low, due to the strike, with prices showing no increase. The automobile industry is slightly below last year in volume, though the demand for trucks and truck parts is good. Manufacturers of rubber tires, tubes and specialties report business good, although there is some price irregularity. Retail trade in general is somewhat below the volume of last year.

DETROIT.—Distribution in retail trade quarters is being retarded materially by unfavorable weather conditions, and a normal turnover is not being realized in many lines. Seasonable merchandise particularly is sluggish in movement, and there is little likelihood of improvement until a change in weather condition is manifest. The larger stores have a fair trade, but the demand for vacation goods is below that of a year ago. Trade also continues quiet in wholesale and jobbing quarters.

There has been no noticeable change in production in factory quarters, part time among employees ruling in a great many instances, with reduced output. This holds good particularly in the automotive line and plants having a closely allied interest. Outside of this, the turnover of most plants with staple products is about normal or approximately so. Building and construction work, while showing a slight falling off generally, still is fairly active, more especially on downtown projects of consequence, but the volume at present falls short of that of a year ago. The general trade tone is cautious.

OSHKOSH.—Retail business conditions are improving slowly, with more seasonable weather, but trade still is below normal, and there is considerable complaint regarding volume of sales. The employment situation also is improving, skilled labor in most lines being employed quite steadily, and unskilled labor being absorbed by road-building and other outdoor work. Building permits issued in May showed an increase of approximately \$86,000 over the total for April. Wholesalers and jobbers still report a tendency toward hand-to-mouth buying with collections not good.

MINNEAPOLIS.—Business conditions are quite uneven, and the volume of wholesale and retail trade has been below that of last year, as reflected in decreased bank clearings. However, a few recently bright warm days have tended to stimulate retail trade and some further improvement in movement of staple lines of merchandise is looked for. Building operations have kept up better than anticipated, and permits to June 10 had equaled the total for the full first half of 1926.

General crop conditions continue to appear better than they were a year ago. Acreage of corn probably will be short, because of inability to plant, due to rains. The condition of wheat appears generally excellent, and there will be an unusual acreage of flax. Flour sales have been exceptionally quiet, and no important selling activity is anticipated in the immediate future.

KANSAS CITY.—General volume of business the past week appears to have been about the same as for the few weeks preceding, and nothing is noted that would tend to cause any change during the balance of the month. The month to date with drug, hardware, grocery and dry goods houses is reported to show no material change in sales and collection ratios over those for the same period a year ago. City retail trade, except with some of the larger concerns, continues backward.

Livestock receipts during the past week were smaller and prices toward the close strengthened from previous low figures. Wheat movement has not yet started, and the heavy harvest will be in the northern part of the territory, whereas last year the southern part had the largest crop yield. The rural situation generally is considered fair. Slackening mining and oil activities, together with declining prices of these products, have been disturbing factors in some quarters.

KEOKUK.—There is little apparent change in business conditions. Retail trade is being affected by unseasonable weather, and there is only a fair demand, as yet, for Summer requirements. Manufacturing plants are operating on a moderate scale, and there is little evidence of unemployment. The matter of hard roads is receiving more attention than previously, and is being voted on in Lee County this month.

WICHITA.—Although weather continues more or less unseasonable, general business conditions show improvement and retail concerns anticipate larger sales in the next few months. Building construction is active, and a large number of buildings are being planned for and now under construction. The labor situation is favorable. Wheat crop prospects are reasonably favorable, but the yield will be below that of 1926. Corn is a little backward, owing to late planting.

Pacific States

SAN FRANCISCO.—Weather conditions in this section were not favorable to general business during the week, and some damage is reported from rain to cherries and strawberries. Sales of Summer hats were affected materially. Jobbers report buyers very conservative, buying only immediate requirements, and there is increased competition direct from the mills which affords the jobber little protection.

In general, it appears to be a buyer's market. An abundance of merchandise, liberal offerings of credit, and the keen desire to sell for less, has made the public somewhat indifferent, and there are efforts now on the part of some to close the first six months' period of the year with attractive offerings this month. Banks report a steady demand for loans of the secured variety, indicating still a very strong speculative element. Borrowings for commercial expansions have declined somewhat.

As a manufacturing center, a greater variety of products are turned out each year. San Francisco Bay is the great West center for shipments of canned and preserved fruits. For four months ending with April this year, it exported 49,618,634 pounds, with a value in excess of \$5,000,000. Most of the canning industries are located in the East Bay section, and the orchards of this and neighboring counties contribute to this important feature of export trade.

LOS ANGELES.—The average level of trade in wholesale lines is holding up well, and all industries remain active, although general commodity prices are low. Retail business was reported as good during the previous week. There has been some increased activity in real estate, and building has been going on at a fairly rapid pace. Hides and leather are in good demand; prices remain firm.

Exports and imports are reported in large volume, including one of the largest shipments of crude rubber on record, consigned to a local tire manufacturing concern. Textile trades have been on the upward trend with increased prices in cotton goods, following an extended uncertainty in those lines.

The petroleum industry still has serious overproduction to contend with. Conditions, except in a few lines where production is exceeding the demand, indicate an early improvement. Bank clearings show good increases.

PORTLAND.—Weather conditions continue to favor retail trade and seasonable merchandise is selling fairly well. There is a good volume of jobbing business, but purchases are mainly to fill early wants and the margins of profit, as a rule, are small.

Lumber production has been reduced by the temporary closing down of several large mills, and others plan to be down for periods of one to two weeks. With a smaller cut in prospect, and the stocks on hand not excessive, prices are being easily maintained. Export prospects are good, with further Japanese buying, and the tidewater mills have enough shipping orders on hand to keep them busy from thirty to forty-five days. The demand from the Atlantic Coast is the strongest of any of the domestic markets. Middle Western and Eastern retail yard trade has been affected adversely by weather conditions, but the prospects are regarded as satisfactory, while car material prices are held firm by steady though not heavy buying. The pine market is slow, but there is no accumulation of stocks and mills are making no concessions in prices. The red cedar shingle market is weak, with production about 65 per cent. of normal.

West Coast fir mills during the week produced 63,100,682 feet, sold 52,212,736 feet, and shipped 62,208,926 feet. New business for rail delivery was 31,481,135 feet, domestic cargo orders were 13,257,173 feet, export orders 4,538,580 feet, and the local trade bought 2,935,848 feet. The unshipped balance is 288,005,094 feet, a decrease of 21,426,566 feet for the week. Western pine production was 28,852,000 feet, sales were 17,724,000 feet, and shipments 23,392,000 feet.

The few remaining foreign sales of wheat are being filled out of the small stocks left of the old crop and speculative business in new wheat continues. Eight full cargoes as well as a number of parcels have been sold abroad for Fall loading, while to date 16 steamers have been put under charter. During the eleven months of the grain season, 16,341,587 bushels of wheat have been shipped to Europe, more than double the quantity forwarded last year.

The Oregon Winter wheat crop dropped four points in condition last month, owing to unfavorable growing weather, but a production of 18,720,000 bushels is indicated, as compared with 17,600,000 bushels harvested last year. With the exception of berries, the Oregon fruit crops promise to be lighter than in 1926. The apple crop is estimated at 60 to 65 per cent. of last year, pears and prunes at 60 per cent. and cherries 25 per cent. Strawberry production is figured at 25 to 40 per cent. over that of 1926.

Wool buying was in moderate volume during the week with the best clips passing the 31c. mark. Most of the pur-

(Continued on page 14)

Record of Week's Failures

THERE is an improvement in the insolvency report this week, which shows a total of 402 failures in the United States. This is 39 less than the number for last week, and is practically identical with the total for a year ago. Heretofore, the returns have been showing considerable increases over the defaults of the earlier year. This week, however, there is a sizable reduction in the East, from the number for the same week of 1926, and a small decrease appears in the West. On the other hand, failures in the South, although below those of last week, show a decided rise over those for a year ago, while there is some increase on the Pacific Coast.

The insolvency record for Canada this week is favorable, a total of 40 failures being reported. This compares with 46 defaults in each of the two immediately preceding weeks, and also is below the 45 failures of a year ago.

Section	Week June 10, 1927		Week June 9, 1927		Five Days June 2, 1927		Week June 17, 1926	
	Over \$5,000	Total	Over \$5,000	Total	Over \$5,000	Total	Over \$5,000	Total
East	64	104	91	139	70	98	106	148
South	64	119	64	129	68	126	31	76
West	72	115	57	109	56	95	82	120
Pacific	30	64	27	65	23	51	25	56
U. S.	230	402	239	441	212	370	215	400
Canada	23	40	24	46	21	46	25	45
* Week.								

FEW GAINS IN HARDWARE SALES

Distribution for the Year Thus Far Scarcely
Parallels 1926 Total—Price Trend Lower

THE following summary of conditions in the hardware and hardware specialties trades was compiled from reports received from branch offices of R. G. DUN & Co.:

PROVIDENCE.—There has been a slight slackening in demand for merchandise during the last few months. Volume of building permits in the early months of the year was good, but less than that of last year, and March and April permits issued showed a continued slackening, and in May a decided decrease.

Authorities believe that this will have a tendency to restrict the demand for builders' hardware, and there is said to be a slight reduction in prices for material of this kind. There has been a reasonable demand for various hardware specialties and staple products outside the builders' line. There is, however, a tendency toward lower prices noted. Manufacturers of various lines of hardware are operating regularly, although, in some instances, not to full capacity.

There is some foreign demand, although volume represented is not large. Usual conditions through July and August will not be favorable to any increase during these months, but manufacturers and jobbers feel that there will be a steady demand of satisfactory volume for the remainder of the year.

BRIDGEPORT.—There is a slight trend towards better volume of business in the manufacture of hardware and hardware specialties. Business so far this year is better than that of a year ago. There is no advance in price looked for in either the raw or finished product. Employment has increased decidedly since November of last year.

Prices remain about stationary, with some slight adjustments downward on a few items which are strictly competitive. There is increasing evidence in all directions that competition is going to be much keener and the profits be cut down considerably. The cutlery business is running practically on an even basis with 1926 and 1925 volumes.

HARTFORD.—Sales for the first half of 1927 have held up well and are somewhat ahead of early predictions. Just now, there is a decrease in incoming business but this is not unusual for the Summer season when buying is at its low point. Indications seem to point to renewed activity for Fall and Winter requirements. The tendency to order in small quantities is unchanged and, as anticipated early in the year, competition and intensive sales effort has resulted in the shading of prices in some instances. The building record of the country has been well maintained and is a favorable factor in the hardware industry. On the whole, the outlook is optimistic, and it is believed the year will prove satisfactory, though it may not equal the record for 1926.

NEW HAVEN.—For the past three months there has been approximately an 8 per cent. decrease in the manufacture of hardware, compared with the record for the corresponding three months of 1926. Prices have been reduced somewhat, and no material change in prices is anticipated. Distributors estimate sales to be about 5 per cent. less than for the corresponding period of 1926. Building activities remain good, several large buildings being in process of construction. Collections are slow.

PHILADELPHIA.—In this district, sales of hardware and hardware specialties for the last five months have been fully equal to those for the corresponding period in 1926. With the exception of a few reductions, prices are the same as they were at this time a year ago. Owing to the backwardness of the season, there are many items that have not been moving freely. Between now and the first of July a decided increase in demand is anticipated.

ST. LOUIS.—Jobbers report a decrease of 10 per cent. or more in sales of hardware, as compared with the record for the same period of 1926. Unfavorable factors this year have been the coal-mining strike, storms and floods in the trade territory, and a falling off in building activity. Prices have been fairly stable. Collections are below normal.

The weather continues to be the dominant factor in business, especially because of its effect upon the growing crops.

Present indications in the St. Louis territory are that the general yield of crops will be in somewhat smaller volume than it was last year. As the products, however, will command higher prices, these will more than compensate for the reduced yield. The replacement of property destroyed or damaged by the elements should result in increased business for the hardware trade during the last six months of the year.

BALTIMORE.—During each of the early months of this year, jobbers' sales were below those for the corresponding 1926 months, but there was improvement in April and May and the volume for the first five months of 1927 is about on a par with that for the same 1926 period. While some divisions show slight losses, these have been offset by gains in other branches of the industry.

It is well known that there was a heavy recession in building operations during the closing months of last year, and houses specializing in builders' hardware felt the effects of this contraction. The construction industry is recovering gradually, however, and the total permits for last month were \$3,773,880, being the highest figure for any month this year, but more than \$1,000,000 lower than the May, 1926, total. Marine hardware is moving better than during the early months of the year, but current trade still is subnormal, due largely to unsatisfactory conditions in the shipbuilding industry. Cabinet hardware dealers report that business at present is about normal. The sales volume of saddlery hardware has been decreasing consistently for years.

Owing to the unfavorable and cool weather throughout the Spring, planting and crops are at least two weeks late and this fact has had an unfavorable bearing on trade from agricultural regions. Buying early in the year from these sections was encouraging, but the past month or so has witnessed a relaxation of the earlier activity. There is a good current demand, nevertheless, for garden tools, hose, lawn mowers, pruning shears, etc.

In all branches, competition still is keen and accordingly margins of profit are narrow. Moreover, some of the larger retail distributors are buying directly from the manufacturers, when quantities are involved, and this tendency is somewhat curtailing the volume of the wholesaler. Jobbers are carrying about normal inventories but retailers are believed to be understocked. The latter continue to buy conservatively, however, the purchasing being mostly of a replacement or replenishing nature, and few commitments are being made beyond sixty days' requirements.

Since the advent of the year prices have undergone no consequential variations, although the general tendency seems still to be downward. Fractional declines have been about the only changes which have occurred, and no radical deviations are anticipated in the near future. Steel products have weakened slightly, but otherwise quotations are thought to be pretty well stabilized for the present. Local collections are fair, but returns from agricultural communities are below the seasonal normal. Local wholesale distributors are not especially optimistic, but they are hopeful, and the general outlook is believed to be favorable.

ATLANTA.—Sales of hardware, as compared with those of the previous year, show a falling off of 10 per cent. or more in volume. Prices are practically unchanged, and no material decline or advance is expected at any early date. Collections are reported from 7 to 10 per cent. below those for the same period of 1926. Notwithstanding the falling off of both volume of business and collections, the year is expected to prove about normal. The falling off in sales is attributed largely to conservative purchases on the part of traders and dealers.

CINCINNATI.—The hardware trade is reviving slowly under the stimulus of more settled weather, and it is expected that sales for the current month will recover some of the retarded business experienced in the forepart of the year. Cash sales with the principal retailers are about 5 per cent. behind the total of last year, and the factory demand also is below the seasonal average.

As the result of a falling off in residential construction work, the demand for builders' hardware is fully 10 per cent. behind that of last year. Prices have worked to slightly lower levels, but now are holding steady, and collections in the main are fair. In all branches of the industry,

there is no departure from the hand-to-mouth buying, as deliveries are prompt and supplies quickly available.

CLEVELAND.—Generally speaking, manufacturers of hardware in this district report production slightly below that of last year. The demand for mill supplies and other heavy hardware has dropped, and the shutdown of the union coal mines has retarded the manufacture of mine supplies. Some manufacturers of hardware specialties report business good. There has been the usual seasonal requirements to be met in farm and garden tools, athletic supplies and similar goods. Irregularity in the steel market has had some effect on the price of raw materials entering into the production of hardware, and prices in general have tended downward. Jobbers report smaller stocks than at this time last year, and there has not been the same profit on volume, although the difference is not likely to show up unfavorably in the net results of the year. Builders' hardware sales compare favorably with those of last year. Jobbers handling automotive hardware report a satisfactory turnover. A factor in the hardware jobbing business has been the inability of farmers to do early planting because of late Spring weather.

Retailers report conditions quiet. The sale of small hand tools and mechanics' supplies, cooking utensils and similar equipment is in larger volume than it was last month, but it is hardly up to the record of last year at this time. There has been a fairly good business in hardware and metal building material for repair and replacement purposes.

KANSAS CITY.—Representative distributors of hardware in this district report that sales for the first five months are about the same in dollars as for the first five months last year. A comparison of collections and outstandings for the same periods is not quite so satisfactory. The outlook is for a somewhat better condition as warm weather items are moving good now, after being delayed by the backward season, and rural districts contiguous to the city have better prospects. Building, however, still is behind the volume of last year. Stocks generally are at conservative levels.

SAN FRANCISCO.—Local business in hardware has been quite uneven during the last few months. Heavy hardware concerns have booked considerable business thus far this year, but the general lines are reported as more or less slow, and buyers ordering in small quantities seem to be the general rule throughout the trade. In household wares there is increased competition from department stores, which are carrying many articles that formerly could be bought only at hardware stores. Sales for the first six months have not been up to expectations with some, and jobbers are wondering whether they will finally make as good a showing as they did last year.

SEATTLE.—The volume of hardware business in this district is considered good. The total for the year so far, however, is between 10 and 12 per cent. below the volume for the like period of 1926. The trade is optimistic regarding trade conditions and expects that the remainder of the year will continue at about the same rate. The general level of prices is lower than for 1926. The decline is variously estimated, the average being around 5 per cent. Collections have been slow, but improvement has been noted within the last two weeks.

The volume of offshore business done by firms entering those fields shows growth over the volume of last year. The advance is declared normal. Alaska business has been good, with the customary gain from natural expansion of business. One of the items in the offshore business which has revealed a tendency to increase rapidly in recent weeks is the volume of trade with Russia. Export to Japan has been average for the season, but the Russian demand has increased.

Cotton Supply and Movement.—From the opening of the crop year on August 1 to June 10, according to statistics compiled by *The Financial Chronicle*, 17,970,911 bales of cotton came into sight, against 14,284,802 bales last year. Takings by Northern spinners for the crop year to June 10 were 1,808,862 bales, compared with 1,828,984 bales last year. Last week's exports to Great Britain and the Continent were 92,315 bales, against 44,373 bales last year. From the opening of the crop season on August 1 to June 10, such exports were 10,271,847 bales, against 7,381,820 bales during the corresponding period of last year.

REPORTS ON COLLECTIONS

Boston.—During the week collections slowed down considerably, even going below the record for the same week last month.

Providence.—Reports on collections during the week did not average better than fair.

Hartford.—At retail, collections continue rather slow, but there was a slight note of improvement in the wholesale trade.

Philadelphia.—Payments during the week responded only to pressure and even then they were slow coming in.

Pittsburgh.—On an average, collections continue slow.

Buffalo.—Some improvement has been noted in collections, although they still are reported slow. Country collections are about on a par with those in the city.

St. Louis.—In general, collections are showing a slightly improved condition. The wholesale clothing trade reports payments to be more favorable than for the same period last year, while the boot and shoe houses report but very little change. In the electrical and hardware trades collections are showing a decidedly backward condition, but in the tea and coffee trades they are improving.

Baltimore.—Since last week collections appear to have retrogressed slightly. Although still satisfactory in the main, returns are not so prompt as desirable and in a few lines there still is a noticeable disposition to give paper instead of buying on open account.

Dallas.—Although improvement is being noted in many lines, collections generally continue slow to fair.

Oklahoma City.—Only a slight improvement could be noted in collections during the week.

Jacksonville.—Slowness seems to characterize collections in this district.

New Orleans.—Reports received during the week show that collections continue slow.

Chicago.—For the week collections were reported somewhat easier, showing an improvement over the record for the same period a year ago.

Cincinnati.—In the main, collections are fair to slow, with a tendency toward improvement.

Cleveland.—While still rather backward, payments are a little more prompt than they were a week ago.

Detroit.—On the whole, collections in this district are not better than slow.

Minneapolis.—There was no marked change in collections during the week, and they still are classed as fair to slow.

St. Paul.—Collections changed but little during the week, most houses reporting them as fair to slow.

Kansas City.—There has been no material change in collection ratios over those prevailing for the same period a year ago.

Omaha.—Collections still are slow, although a slight improvement has been noted in some sections.

Keokuk.—In general, collections are fair, with some improvement noted.

Wichita.—In the majority of trades, collections are fair.

Denver.—There was no improvement in collections during the week, and in most trades they continue fair.

San Francisco.—In this district, collections are somewhat uneven, being reported as fair to slow.

Los Angeles.—Reports on collections received during the week indicate very little improvement.

Seattle.—With retail merchants, collections are fair to good, while with wholesale and instalment houses they are good.

Quebec.—During the past week, collections were easier than they have been for a long time.

Toronto.—Payments in general continue satisfactory.

Sales of cloths at Fall River last week reached 75,000 pieces of staples in thin constructions and satens. The mills are provided with business for six weeks, on an average, running to about 75 per cent. of capacity.

Several New England mills formerly engaged exclusively on fine cottons are now operating looms on rayon-decorated materials to as high as 75 per cent. of the equipment. The demand for rayon lines continues.

EASIER CONDITIONS IN MONEY

Large Treasury Operations Result in Temporary Excess of Available Funds

THE money market was easy all week, being swayed by the large operations of the Treasury. On Wednesday, the turnover of funds amounted to more than \$2,000,000,000, but these huge transactions failed to disturb the equilibrium of the market. The transactions included the receipt of \$500,000,000 of income taxes, the paying off of \$378,000,000 of maturing short-term securities, the sale for cash of \$250,000,000 of new 3% per cent. bonds, the payment of \$70,000,000 of interest on Liberty and Treasury bonds, and the receipt of about \$80,000,000 from foreign countries in war-debt instalments. In addition, corporations distributed about \$150,000,000 in dividends and interest, and the Treasury exchanged new bonds for a considerable portion of the Second Liberty 4½s, which are being retired.

The day of large transactions passed with scarcely a ripple in the money market, mainly through the stabilizing activities of the Federal Reserve Bank. A temporary excess of funds was the natural result of the operations. The money paid out by the government in retiring maturing obligations and in interest becomes immediately available in the market, while the subscriptions to the new issue are mostly made merely by crediting the government's account with the stipulated amounts, which will be called on in the future as the Treasury desires. The money accumulated by the banks to honor income tax checks is not used immediately for that purpose, as it takes several days, and sometimes a week, for the checks to be presented at the banks for collection by the government. Under these circumstances, the call loan rate ruled at 4 per cent. during most of the week, and outside loans were available at 3½ per cent. Time money, on the other hand, was slightly firmer in tone, though quotations did not change. An increased demand for funds from the interior of the country was reported.

Daily closing quotations of foreign exchange (bankers' bills) in the New York market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Sterling, checks...	4.85½	4.85½	4.84½	4.84½	4.85½	4.85½
Sterling, cables...	4.85½	4.85½	4.85½	4.85½	4.85½	4.85½
Paris, checks...	3.90%	3.90%	3.90%	3.90%	3.91%	3.91%
Paris, cables...	3.91%	3.91%	3.91%	3.91%	3.91½	3.91½
Berlin, checks...	23.68%	23.49	23.68½	23.68½	23.68	23.68
Berlin, cables...	23.69%	23.50	23.69½	23.69½	23.70	23.70
Antwerp, checks...	13.88½	13.88½	13.88½	13.88½	13.88	13.87½
Antwerp, cables...	13.89½	13.89½	13.89½	13.89½	13.90	13.89½
Liège, checks...	5.50	5.51½	5.57%	5.57%	5.54%	5.54%
Liège, cables...	5.51	5.51½	5.58½	5.58	5.55	5.54½
Swiss, checks...	19.22½	19.22½	19.22½	19.22½	19.21½	19.21½
Swiss, cables...	19.23½	19.23½	19.23½	19.23½	19.23½	19.23½
Guilders, checks...	40.04½	40.05	40.05	40.05	40.05	40.05
Guilders, cables...	40.05½	40.06	40.06	40.06	40.07	40.07
Peetas, checks...	17.26	17.24	17.27	17.27	17.13	17.13
Peetas, cables...	17.26	17.24	17.27	17.27	17.15	17.15
Denmark, checks...	26.72	26.72	26.72	26.72	26.71½	26.71½
Denmark, cables...	26.73	26.73	26.73	26.73	26.73½	26.73½
Sweden, checks...	26.76	26.76	26.77	26.77	26.77	26.77
Sweden, cables...	26.77	26.77	26.78	26.78	26.79	26.79
Norway, checks...	26.86	25.86	25.86	25.86	25.88	25.85
Norway, cables...	25.87	25.87	25.87	25.87	25.90	25.87
Greece, checks...	1.34%	1.35	1.34%	1.34	1.35½	1.36½
Greece, cables...	1.35%	1.35½	1.34%	1.34½	1.36	1.36½
Portugal, checks...	5.00	4.99	5.01	5.04	....	....
Portugal, cables...	5.00	5.00	5.02	5.05	....	....
Montreal, demand...	100.00	100.00	99.97	99.95	99.92	99.97
Argentina, demand...	42.43	42.42	42.43	42.43	42.35	42.35
Brasil, demand...	11.81	11.80	11.81	11.81	11.80	11.80
Chile, demand...	11.99	11.99	12.01	12.01	12.05	12.06
Uruguay, demand...	100.89	100.75	100.38	100.38	100.37	100.25

Heavy Bank Clearings Continue

BANK clearings continue considerably in excess of the heavy amounts of the two immediately preceding years, the total for this week at leading cities in the United States of \$9,997,116,000 showing a gain of 6.5 per cent. over that for a year ago. The large aggregate of \$6,260,000,000 at New York City was contributed to, among other things, by heavy stock dealings and the large income tax payments, the increase at New York being 9.7 per cent. At outside centers there continues to be much irregularity, total clearings at leading cities, except New York, being \$3,737,116,000, or only 1.5 per cent. in excess of those of a year ago. In addition to New York City, gains appear at Boston, Pittsburgh, Cleveland, Buffalo, Richmond, Dallas

and Los Angeles, but losses are quite extensively distributed in the West and in the South.

Figures for the week, and average daily bank clearings for June to date, and for preceding months, are compared herewith for three years:

	Week June 16, 1927	Week June 17, 1926	Per Cent.	Week June 18, 1925
Boston	\$574,000,000	\$418,510,000	+37.1	\$379,319,000
Philadelphia	551,000,000	595,000,000	-7.4	635,000,000
Baltimore	95,939,000	108,100,000	-11.2	113,428,000
Pittsburgh	201,368,000	183,039,000	+10.1	181,066,000
Buffalo	58,940,000	57,320,000	+2.8	62,592,000
Chicago	711,934,000	733,385,000	-2.9	798,317,000
Detroit	195,387,000	199,266,000	-2.0	198,517,000
Cleveland	141,373,000	136,389,000	+3.7	142,543,000
Cincinnati	80,728,000	82,128,000	-1.7	81,165,000
St. Louis	151,200,000	161,000,000	-6.1	162,500,000
Kansas City	142,500,000	144,800,000	-1.6	139,500,000
Omaha	42,396,000	43,431,000	-2.4	44,025,000
Minneapolis	70,252,000	83,793,000	-5.4	88,100,000
Richmond	49,937,000	48,540,000	+2.9	54,259,000
Atlanta	50,807,000	59,584,000	-14.7	65,711,000
Louisville	38,230,000	38,441,000	-0.5	45,715,000
New Orleans	56,725,000	57,619,000	-1.6	44,035,000
Dallas	46,279,000	44,923,000	+3.0	55,504,000
San Francisco	190,200,000	203,600,000	-6.6	186,000,000
Los Angeles	190,801,000	188,398,000	+1.3	168,749,000
Portland	39,670,000	43,833,000	-9.5	44,309,000
Seattle	48,450,000	50,689,000	-4.4	45,361,000
Total	\$3,737,116,000	\$3,681,748,000	+1.5	\$3,068,918,000
New York	6,260,000,000	5,709,000,000	+9.7	5,836,000,000
Total All	\$9,997,116,000	\$9,390,748,000	+6.5	\$8,904,918,000
Average Daily:				
June to Date	\$1,788,376,000	\$1,576,631,000	+13.4	\$1,568,409,000
May	1,597,975,000	1,521,480,000	+5.0	1,521,020,000
April	1,802,962,400	1,587,962,400	+9.9	1,498,451,000
1st Quarter	1,654,409,000	1,637,622,000	-0.2	1,525,111,000

Money Conditions Elsewhere

Boston.—The reserve ratio of the Federal Reserve Bank of Boston increased during the week 5.1 per cent., that is to 78.4 per cent. The circulation remained unchanged, but the reserves increased about \$14,000,000, and the deposits decreased about \$1,500,000. The market continues easy without much change in rates, although prime commercial paper is a little higher, the rate being 4½ per cent., with 4½ per cent. being asked for the less desirable names. Call money is 4½ per cent.

St. Louis.—There has been a slight increase in the demand for funds from both industrial and commercial sources, as the general run of business has revived. There also has been some increase in the interest from agricultural sources. The average rate for commercial paper is 4 to 4½ per cent., and collateral and over-the-counter loans range from 4½ to 5½ per cent.

Atlanta.—Banks report money conditions unchanged. There is little demand for commercial paper, while collateral and over-the-counter loans are 5 to 6 per cent. There is an ample supply of funds, as deposits are holding up well.

Chicago.—Money continues steady, with no variations in quotations. Commercial paper is 4 to 4½ per cent., over-the-counter loans 4½ to 5½ per cent., and loans on collateral 4½ to 5½ per cent. Call money was in plentiful supply during the entire week.

Cincinnati.—In the money market, conditions are practically unchanged. Call loans to brokerage houses are at 5 to 5½ per cent. and commercial loans and discounts are 5½ to 6 per cent. Money is in good supply, and in fairly active demand.

Cleveland.—Money conditions remain stable, with no notable change in demand for commercial and industrial acceptances. The Federal Reserve Bank reports some activity in collateral loans on stocks and securities. Surplus funds are being placed on time deposits or invested in government bonds.

Minneapolis.—There was a fair demand for money during the week. Commercial and industrial loans are quoted at 4½ to 6 per cent., while commercial paper is 4 to 4½ per cent. Deposits at local banks are quite heavy, and ample funds are available.

Kansas City.—Demand for money thus far this month has been moderate. Clearings during the past week were slightly larger than for the corresponding week last year. The weekly statement of the Federal Reserve Bank showed a drop of 7 points in reserve ratio down to 57.4 per cent. Other changes, in comparison with the previous week's statement, were not noteworthy, except an increase of 25 per cent. in government securities held.

Chatham Phoenix National Bank and Trust Company has been appointed trustee under trust agreement dated June 1, 1927, executed by Phillips Petroleum Company, securing an issue of \$40,000,000 face amount of Phillips Petroleum Company 5½ per cent. sinking fund debentures, due June 1, 1939.

STEEL OUTPUT NOW LIGHTER SOME HIDES ADVANCE FURTHER

Though Current Demand Has Improved, Production Continues Around 75 Per Cent.

THE situation with steel has not changed greatly, though a downward tendency in ingot production is indicated in a moderate degree. In the Mahoning Valley, slight accessions to finishing capacity are noted for the week and, on the whole, activity ranges around 70 to 75 per cent. Sheet specifications continue at a good rate, but in other descriptions, there is more or less unevenness in current demands. The narrower market is characterized as seasonal, to some extent. Structural bookings to date do not show much loss from those of last year, and a fair amount of business is being figured, but bids are reported close. Railroad buying still is under expectations, and track supplies are not especially active, though outside work should be increasing at this period. Track supplies in coal mining and light rails still are below normal requirements.

Sheet and strip steel quotations are established at the higher levels recently announced. Other finished quotations are fairly steady, though on large tonnages in plates and shapes preferential figures are given. The usual prices on shapes and merchant bars are \$1.85 and \$1.90, Pittsburgh. Automobile sheets are at the minimum \$4.25, Pittsburgh. Cold rolled strip steel is quoted at \$3.25, Pittsburgh, for third quarter delivery.

The scrap market continues to sag, with a lack of consuming interest. Heavy melting steel is being quoted down to \$15, Pittsburgh, comparing with \$12.25 at Chicago. Pig iron has not developed any activity, inquiries being more or less formal, and significant business has not been closed. Basic is nominally \$18, Valley, and Bessemer \$19, Valley, with foundry iron in only moderate request at \$18.50, Valley. Fuel continues to mark time, though some contracting is noted in furnace coke on the basis of revision with any wage adjustment. Spot furnace grades may be a trifle firmer at about \$2.90 at oven, with contract tonnages quoted at a range of \$3 to \$3.50 at oven. Standard grade foundry coke is quoted \$5 and \$5.25 at oven.

Other Iron and Steel Markets

Buffalo.—Iron and steel show little change and are reported as only fairly active. Business for the year thus far has been somewhat disappointing, and mills at the present time are not operating at over 60 to 65 per cent. capacity.

Chicago.—A slight upturn in steel orders was reported by Chicago producers during the week, but it is thought to be only temporary. There is no reason to believe that the June lull can be averted. At the same time, the output of steel ingot, steel sheets, track material and standard steel rails showed a slight loss, compared with the volume of preceding weeks. The leading interest has blown out another furnace making two since the beginning of the month. Out of the 36 furnaces in the Chicago area, 6 are now out of operation. The average ingot production in the West is now around 80 per cent. of capacity. A carrier has placed an order for 4,500 freight cars, requiring more than 60,000 tons of steel. All of it will be placed in Chicago territory. A local producer has been given an order for 2,800 tons of standard steel rails by an Eastern road. Deliveries have been prompt on all lines. Chicago producers are ready to meet competition if the threatened invasion of the Eastern makers materializes. The week has seen no change in regard to the price situation, however. Ruling quotations at the beginning of the week were: Pig iron \$20; hard steel bars \$1.90 to \$2; soft steel bars, \$2; shapes and plates \$2.

Plumbing Supply Sales Decline

MINNEAPOLIS.—Local wholesalers and jobbers report a decrease in sales of plumbing supplies of 5 to 10 per cent. since the first of this year, as compared with the record for the corresponding months of 1926. Buying still is on a very conservative basis, but quite extensive building operations are under way, and in contemplation, which encourage the prospects for increased demand during the Summer months. Prices are a little higher than they were last year, and are steady at present. Collections are only fair.

General Situation Remains One of Strength—

Calfskins are Higher Again

THE domestic hide markets have continued firm to strong and again somewhat higher on the light end, as one packer this week was reported to have sold a lot of 10,000 light native cows at up to 20½c. Tanners previously were balking at high rates, but are paying full prices now for branded steers, keeping some of the packers closely cleaned up. Sellers are realizing full prices on June hides, and, owing to grubbing allowance being discontinued on June 1, some figure this equivalent to an advance. Extreme light native steers were also well cleaned up at 20c., and light hides continue to lead in strength and demand. Heavy cows apparently are the rather neglected variety.

Country hides are firm to stronger. Boston reported activity this week in Southern extremes, etc., with sales of Northern section 15 to 50-pound kips and extremes at up to 20c., flat. A Virginia shipper refused this figure, and demands 21c. Various prices are heard in the West, ranging from 19c. to 21c., selected, asked for extremes. Pennsylvania shippers refused 19½c. for 25 to 50-pounds.

Foreign hides are strong for common varieties of Latin-Americans, with these still advancing. Sales are reported of coast Colombians at up to 23c. for Savanillas and 24c. for Santa Martas. Interior section superior heavyweights are held at up to 27c. for Antioquias, etc., but 26½c. has been the best price thus far reported paid. River Plate frigorifico steers have been declining, probably because these are going into Winter season. Late sales of Argentines were at the equivalent of 18½c., c. & f. Extremes are very strong, the same as in the domestic market, and trading has been done in Sansiennas at up to 21½c., c. & f.

Calfskins have strengthened in New York. Late advances have been on the lighter end, which are in poorest demand in the West. One collector sold 5 to 7-pound weights at \$1.85, and later at up to \$1.90. There are reports of some sellers now asking as high as \$2. Seven to 9's last sold at \$2.25, and 9 to 12's at \$3.25, with 15c. apiece higher now asked. Prices on green skins were advanced the forepart of the week 1c. per pound on weights up to 9-pounds. In the West, buyers have balked at sharp advances asked, and Chicago city's are reported to have sold at 21c., against 22c. asked. Some special weight 9 to 15-pounds sold at 22c. Packers have asked as high as 25c., but later offered at 24c., with buyers refusing to bid over the last selling price of 23c. However, frequent bids on this basis have been turned down. Kips in all sections are in decidedly scant supply, being out of season. Under a good demand, they continue to advance. New York City 12 to 17-pound weights sold at \$3.50, but later Philadelphia city's, on a much less strict selection and longer trim, made this price. Local lots are now held up to \$3.75. In the West, packer May overweights sold at up to 23c.

Leather Markets Continue Strong

SOLE leather is decidedly firm, although New York has reported less business. However, Philadelphia tanners note a larger movement. Tanners are more independent, and are not inclined to book ahead to any extent.

Offal is firm, although it is said that some of the large tanners making recent advances on backs and bends are not naming any higher rates on bellies, etc. Large local concerns do not quote their bellies at over 29c. for best steer hide and 27c. to 28c. for cows in oak, and 26c. to 27c. for both steers and cows in union. The same sellers do not quote over 18c. for oak and 17c. for union heads; in single shoulders, 36c. is listed for best oak and 33c. for union.

In upper leathers, the market continues particularly strong on regular colored cow hide chrome sides. More sample lots of calf, mostly in gun metal, are being sold all the time to Brooklyn manufacturers of fine shoes, and the outlook appears favorable, especially for black. Some large tanners have not advanced calf at all, as yet, but intimate that a stiff advance is very likely to come in the near future, owing to the advancing raw skin market. Patent leather continues to sell steadily in the East, and moderately well in New York. Black kid is going into steady consumption, but there is no improvement in colors, and reports from Philadelphia and Wilming-

(Continued on page 12)

RETAIL TEXTILE SALES QUICKEN

Wholesale Markets Holding Fairly Steady—
Fall Trade Develops, Especially in Cottons

WARMER weather quickened Summer trade noticeably in the retail dry goods division in the metropolitan and industrial sections. Fall trade is developing in the wholesale division, with anticipations more general in cotton goods than in other lines. Silk, wool and jute goods are being bought moderately, while cotton goods are sold ahead for two to three months in some parts of the unfinished cloth sections.

There has been a fair amount of purchasing of Fall specialties in worsted and woolen coatings and in men's suitings, and a few mills report that they are now sold up. On the other hand, the dress goods division is very quiet. Silk materials in sheer weaves are selling moderately, but the movement has been of less volume than was anticipated, and some of the larger manufacturers have decided to curtail their output for July.

Studies of trends in consumption indicate some letting up in certain industrial sections, where trade has been quieter, and a gradual departure from the extravagantly-colored and designed fabrics of recent years. The larger use of rayon creations of all kinds is very noticeable, and is being reflected in larger demands for the finer qualities of rayon-decorated materials for another Spring season.

The lessening production has been more remarked in silk and wool than in cotton or knit goods mills. The wool goods industry is believed to have passed the slowest stage of the year, but recovery is not expected to be rapid until there has been a larger movement of Summer goods.

Dry Goods Co-operation Spreading

PRESSURE to increase co-operative workings in the dry goods trade has reached a very high point, and unusual results are being attained. At a convention of Southern wholesalers at Virginia Beach this week, it was voted that a single textile wholesalers' organization should be formed by uniting the National and Southern associations and joining with the Cotton Textile Institute or other bodies in the manufacturing and selling trades, in any effort designed to enhance the usefulness of the wholesalers as an agency in distribution.

The Converters' Association has also gone on record as seeking a conference with the two wholesalers' associations so that closer co-operation between them may be brought about. A meeting of woolen manufacturing associations comprising wool dealers, agents of woolen and worsted mills, and manufacturers who have not hitherto acted in concert with others is to be held, at which the promoters will present a working plan for a greater union.

The Silk Association of America is constantly adding to its groupings so that a broader co-operative work may be attained, from the raw silk division, to the manufacturers making any lines that are highly competitive and run into reasonable volume.

The Cotton Textile Institute has succeeded in bringing the corporation and job printers together to prepare statistics and do other needful co-operative work.

Cotton Mills Well Sold

GRAY cotton goods mills are well sold ahead, the unfilled orders being 162 per cent. greater than those of a year ago, while stocks are 38 per cent. less. Sales of the past week were lighter, but in wash fabrics lines there was a quickened demand, following the warm weather. Prices rule firm, and advances are continuing on some of the coarse colored goods. Flannels are closely sold, and the Summer blanket business has been better than usual. Domestic are being bought in moderate lots for early Fall delivery. Percales have sold well for delivery to September. Wide sheetings, sheets and pillow cases, towels and bleached cottons are selling in small lots. Yarn markets rule steady.

Most of the new business on men's wear has been on specialties and fancies for the Fall trade, with some filling-in business on over-coatings. It is proposed to begin opening tropical worsteds for Spring men's wear about July 1. The current season's business was smaller than was anticipated. Several mills are well sold on Fall lines, while others need business and many are curtailing. Dress goods have been slow. Some of the choice coatings are being bought in moderate quantities, garment and clothing manufacturers alike confining their business on fabrics more closely to orders than ever before.

Raw silk was weaker, although consumption continues very large, notably in hosiery and knit wear. Sheer silks are selling moderately for Summer. The Fall business on staple and semi-staple lines has developed slowly, and several mills are curtailing until the demand broadens.

The advances named on heavy knit underwear are general, and business of moderate volume is being placed. Secondary distributors reported a more active call for lightweight knit underwear. Nainsook garments have not done as well as was the case a year ago.

Cotton Consumption Again Large.—Cotton consumed

by American mills during May totaled 633,024 bales of lint and 72,706 bales of linters, compared with 619,140 of lint and 66,957 of linters in April, this year, and 516,376 of lint and 65,199 of linters in May, last year, the Census Bureau announced this week.

Consumption of foreign and domestic cotton by American mills, exclusive of linters, compares as follows during the recent months and years, in bales:

	1927.	1926.	1925.	1924.
May	633,024	516,376	531,068	413,907
April	619,140	577,078	596,541	478,583
March	694,193	635,896	583,407	488,840
February	590,447	565,118	550,775	508,677
January	604,584	582,315	504,010	578,681
December	605,217	576,216	533,789	464,500
November	583,950	543,098	495,162	532,702
October	568,532	543,679	534,283	543,390
September	571,105	488,082	436,373	488,088
August	500,652	448,665	357,455	492,433
July	460,918	483,926	347,099	462,654
June	518,504	494,083	350,021	542,006

Cotton exports in January, including linters, compare as follows, in running bales:

	1927.	1926.	1925.	1924.
May	628,132	419,459	330,947	326,307
April	855,449	526,494	472,555	320,774
March	1,129,537	519,732	740,076	332,168
February	1,010,507	556,185	811,838	482,144
January	1,115,792	749,967	1,076,075	546,893
December	1,531,297	984,061	1,075,923	845,451
November	1,486,224	1,206,780	1,306,550	767,229
October	1,369,820	1,421,482	946,506	774,326
September	704,584	732,806	737,435	368,590
August	381,329	315,825	277,647	244,611
July	365,522	202,468	211,533	171,469
June	346,774	217,786	230,979	214,351

Daily closing quotations (cents per pound) of cotton futures in the New York market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
July	16.82	16.34	16.53	16.70	16.65	16.83
October	17.16	16.63	16.98	17.05	17.02	16.94
December	17.40	16.83	17.12	17.28	17.25	17.08
January	17.43	16.90	17.18	17.36	17.32	17.19
March	17.63	17.06	17.34	17.54	17.46	17.36

SPOT COTTON PRICES

	Fri. June 10	Sat. June 11	Mon. June 13	Tues. June 14	Wed. June 15	Thurs. June 16
New Orleans, cents.....	16.67	16.75	.....	16.52	16.65	16.61
New York, cents.....	17.05	17.05	16.60	16.80	16.95	16.90
Savannah, cents.....	16.52	16.54	.....	16.24	16.40	16.19
Galveston, cents.....	16.85	16.85	.....	16.50	16.65	16.75
Memphis, cents.....	16.00	16.00	.....	15.50	15.75	15.75
Norfolk, cents.....	16.44	16.50	16.00	16.19	16.31	16.81
Augusta, cents.....	16.31	16.31	.....	16.06	16.31	16.25
Houston, cents.....	16.60	16.60	.....	16.40	16.70	16.60
Little Rock, cents.....	16.00	16.00	.....	15.70	15.85	15.85
St. Louis, cents.....	15.75	15.75	.....	15.50	15.50	15.75
Dallas, cents.....	15.70	15.75	.....	15.40	15.60	15.65
Philadelphia, cents.....	17.35	17.30	17.30	16.85	17.05	17.50

Leather Markets Continue Strong

(Continued from page 11)

ton are that fancy light shades are being converted into blacks in the factories there.

New England reports are that many of the footwear manufacturers have only a limited amount of orders on hand. Against this condition, producers in the West are said to be enjoying a good business, with contracts for both men's and women's shoes ahead of those of this time last year. Styles are simpler. New England makers of men's lines report present trading quiet. They are trying hard for price advances, but the real test of the market will probably not come before next month, when larger orders are usually placed. Trade with Brooklyn manufacturers of women's high-grade lines is slow, but it is between-seasons generally in the shoe markets.

Burlap markets have held rather firm, on the whole, although Cutta came in weaker on the first few days. The trade seems to think that a price of \$28 for jute has about discounted the lowest point, despite reports of a larger yield last year than was expected.

STOCKS REBOUND AFTER BREAK

Early Sharp Break Quickly Followed by a Recovery—Dividend Increases

AFTER a severe break on Tuesday, the stock market developed strong rallying power and was well supported during most of the remainder of the week. The announcement made over the holiday that there had been a further increase of \$55,000,000 in brokers' loans, placing the total only \$23,000,000 below the record high level established in January, 1926, was the factor principally responsible for the heavy selling that forced down the prices of most of the market leaders on Tuesday. Brokers' loans have been expanding rapidly since the middle of February, and the present total is \$400,000,000 larger than that of four months ago. The market rebounded in a spirited manner on Wednesday, and prices continued to present a strong front on Thursday. Ease in the money market, although it had been abundantly forecast and was the result of the special operations of the Treasury, was partly responsible for the confidence displayed toward the end of the week. The market also was affected by the encouraging tone of the weekly steel trade reviews, which indicated a healthy consumption. The chief influence behind the strengthening of the market, however, was the New York Central Railroad's action in advancing its annual dividend rate from \$7 to \$8. The Big Four and the Michigan Central, controlled by the New York Central, also increased their dividends. These actions were followed by broad buying in the stocks affected, which spread to other railroads and finally to a large part of the industrial list, resulting in a strong tone throughout the market. The recovery in prices did not, in all cases, amount to as much as the previous declines, but nearly all the lost ground was regained, and the trend late in the week was distinctly upward. Nearly all the principal railroad stocks were well supported, led, naturally, by New York Central. General Motors, after a weak start, rallied and sold above 200 on Thursday, and the other motor shares, notably Hudson and Chrysler, followed a similar trend. American Can went to a new high record. Rubber stocks were weak, as a result of the tire price situation, and there were declines in United States Rubber, Fisk Rubber, Ajax Rubber and Kelly Springfield. The sugar stocks also were weak.

The daily average closing quotations of sixty railway, ten industrial and five traction and gas stocks are appended:

	Last Year	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
B. R.	92.93	112.77	111.12	112.29	112.87	113.33	
Indus.	116.48	147.52	144.48	145.62	146.75	146.52	
Gas. & T.	103.25	116.95	116.20	116.87	116.85	116.83	

Daily transactions in stocks and bonds on the New York Stock Exchange compare with last year as follows:

Week Ending	Stocks		Bonds	
	This Week	Last Year	This Week	Last Year
June 17, 1927				
Saturday	992,800	858,300	\$4,862,000	\$6,209,000
Sunday		2,093,400		10,396,000
Monday	2,550,500	1,841,200	12,747,000	12,111,000
Tuesday	2,082,700	2,006,700	13,399,000	12,321,000
Wednesday	2,299,600	2,414,900	12,648,000	10,926,000
Thursday	2,202,500	2,270,100	10,341,000	10,077,000
Friday				
Total	10,127,900	11,484,900	\$63,997,000	\$62,040,000

White dress linens have been selling better than for some seasons, and a very good business has been done in handkerchiefs for the holiday trade. Colored fancy handkerchiefs for women continue in wide vogue.

The new season on fine wilton rugs that opened on June 1 has developed very well, and linoleums in new embossed designs are increasing sales considerably.

List of Investment Suggestions upon request

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Wheat Prices Fluctuate Sharply.—After showing a rising tendency on Monday, and early on Tuesday, wheat prices had a sharp break in the late Tuesday trading, when a wave of selling and profit-taking became too broad to be absorbed by the demand. News was bullish from the Northwest, where the crop needs warm weather at this time. The Chicago shipping demand was moderate. Preceding Tuesday's close, the market showed an extremely uncertain trend, traders being confused by mixed reports of conditions in Canada, Australia, Russia, the Argentine and various parts of the United States. The news of the untoward weather conditions in Russia and Canada seemed to produce an upward pull, however, until the heavy selling at the close. In Wednesday's session, prices ranged upward on active commission house buying.

Corn had a spectacular rise on Monday, and held up in the early Tuesday trading. Toward the end of the day there was a slight reaction. Bad weather, the reports said, continued to play havoc with planting. Moreover, traders who traveled through the corn belt on Sunday were unfavorably impressed by the outlook for the crop. One expert wired to his house that the corn prospects in South Dakota were the poorest he had ever seen.

United States visible supply of grains for the week, in bushels, was: Wheat 24,721,000, off 2,501,000; corn 32,109,000, up 2,148,000; oats, 20,343,000, off 159,000; rye, 2,380,000, off 448,000; barley, 765,000, off 137,000.

Grain Prices and Movement

Daily closing quotations of wheat options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
July	1.44 1/4	1.45 1/4	1.44 1/4	1.44 1/4	1.46 1/4	1.44 1/4
September	1.42 1/4	1.43 1/4	1.42 1/4	1.43 1/4	1.44 1/4	1.42 1/4

Daily closing quotations of corn options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
July	93 1/4	96 1/4	97 1/4	99 1/4	1.01 1/4	1.00 1/4
September	97 1/4	1.02	1.02 1/4	1.04 1/4	1.07 1/4	1.05 1/4

Daily closing quotations of oats options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
July	47 1/4	47 1/4	47 1/4	48 1/4	49 1/4	49 1/4
September	46 1/4	47	47 1/4	48 1/4	48 1/4	48 1/4

Daily closing quotations of rye options in the Chicago market follow:

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
July	1.15 1/4	1.16 1/4	1.16 1/4	1.16 1/4	1.17 1/4	1.15 1/4
September	1.03	1.04 1/4	1.04 1/4	1.04 1/4	1.05 1/4	.....

The grain movement each day is given in the following table, with the week's total, and comparative figures for last year:

	Wheat		Flour.	Corn	
	Western Receipts	Atlantic Exports	Atlantic Exports	Western Receipts	Atlantic Exports
Friday	756,000	178,000	1,000	1,094,000	.....
Saturday	598,000	453,000	17,000	1,156,000	.....
Monday	869,000	71,000	13,000	1,522,000	.....
Tuesday	651,000	342,000	7,000	875,000	.....
Wednesday	670,000	734,000	21,000	822,000	.....
Thursday	438,000	235,000	24,000	699,000	.....
Total	3,980,000	2,036,000	83,000	6,168,000	.....
Last year	3,430,000	1,685,000	205,000	5,433,000	31,000

Larger Foreign Trade in May.—Foreign trade of the United States for May, according to official preliminary figures, amounted to \$394,000,000 in exports and \$346,000,000 in imports, leaving a favorable balance of \$48,000,000. The totals are larger than those for May, 1926, when American exports were \$356,600,000 and imports \$320,919,000.

For this year to the end of May, exports aggregated \$2,010,240,000, against \$1,868,820,000 in the same five months of 1926, while imports were \$1,768,377,000, against \$1,965,788,000. Gold imports for May were \$34,212,000, against exports \$1,516,000.

The foreign trade of the United States for May and for eleven months of the fiscal year is compared herewith:

Year.	May		Eleven Months	
	Exports	Imports	Exports	Imports
1927	\$394,000,000	\$346,000,000	\$4,611,000,000	\$3,899,000,000
1926	356,600,000	320,919,000	4,414,901,173	4,126,752,722
1925	370,945,110	327,518,721	4,541,235,389	3,498,912,040
1924	385,098,701	302,987,791	4,004,661,654	3,280,121,951
1923	316,359,470	372,544,578	3,636,998,378	3,461,683,014
1922	307,568,828	252,817,254	3,436,225,912	2,347,618,110
1921	329,709,579	204,911,186	6,179,350,357	3,468,787,153
1920	745,523,223	431,004,944	7,480,761,751	4,685,746,192

Expansion in Southern textile manufacturing centers is broadening this year, new finishing plants, knit goods mills, silk mills, as well as many additions to cotton mills, being under way.

GENERAL BUSINESS CONDITIONS

(Continued from page 7)

chases were for account of Boston firms. There also was a stronger demand for hops at slightly better prices. Live-stock receipts continue to show decreases, as compared with those of a year ago.

SEATTLE.—Sales of automobiles declined for the week ended June 3 to a total of 450 machines, worth \$408,033, which is the smallest number of vehicles reported sold for several weeks. While the aggregate value is not much under the average for the last two months, a decline has been registered. The Washington customs district was first on the Pacific Coast in imports in April. Seattle building construction in May totaled \$2,650,000. Of this total 262 permits were taken out for residences amounting in value to \$991,250. For the year so far 1,467 permits have been issued calling for construction valued at \$5,104,000.

Employment is about the same as for the week previous. Political halting of the State road program has increased the number of unemployed. Cool weather during May also held down employment totals. Within two or three weeks the Summer close-down in lumber mills and logging camps will force unemployment in that industry. The freight and charter markets during the month just closed showed a tendency toward firmness. While rates have been inclined toward softness at times, near the close of the month they displayed more rigidity. Stress of Japanese financial difficulties exerted an adverse influence. Motor and apparatus sales in the electrical field have been light during the last week. House appliance sales for the week were fair.

Dominion of Canada

QUEBEC.—Construction here is taking up with the advance of the season and the arrival of more seasonable weather. Some contend that the current year will be a record one for general construction, as during the first five months 326 permits were issued, representing \$3,766,073. Recently a building permit was issued for \$102,000 for the construction of a school in the residential section of S. Dominique; work is to be started immediately. City trade remains steady, and wholesalers are getting about normal returns for the period.

As the Department of Agriculture of Canada recently removed the embargo on cattle entering Canada from England, and about a month ago removed the embargo on cattle from Scotland, further movement of trade in that connection is looked for. The preparations for a special celebration on the anniversary of Confederation July 1 are going forward, which is causing the circulation of cash for larger amounts than usual in certain lines.

TORONTO.—Recent crop condition reports from the West show a considerable improvement, and while the acreage is much less than it was last year, farmers are optimistic, looking for a yield at prices that will compensate for the possible deficiency in volume. Much of the conservative atmosphere that permeated business has been dispersed, and the recent upturn of some commodity prices tended to strengthen the general situation. Transportation companies maintain a good volume of traffic, notwithstanding the fact that grain export, an important item in haulage, has been reduced since Europe diminished her call. Wholesalers and manufacturers were fairly busy during the week, and the total of trade would have been considerably larger were weather conditions more conducive to the sale of Summer merchandise. Some merchants have commenced price cutting in order to force sales of goods that cannot be carried safely over to next season.

Building activities in Toronto become more important as the season advances, with a consequent betterment of outlook for all classes of suppliers to this trade. Roofers' material in substantial quantity has been going westward steadily, and orders arriving indicate a very healthy demand for that commodity. Electrical plants were for the most part busily engaged in all departments, but retail dealers handling radio equipment are passing through a rather dull

period. Drugs, toilet goods and notions are moving more freely, the sale being stimulated by the influx of tourists whose expenditures are having a beneficial effect on trade in many parts of the Province.

VANCOUVER.—Retail trade continues quiet, but it is reported to be showing some increase over the record of the previous week or two, the weather latterly becoming more seasonal. Some merchants having a lot of Spring merchandise on hand are stimulating business by holding June "sales." Jobbing trade is fair, with buying still confined mainly to groceries and hardware. Crop prospects are promising and for the small fruits appearing on the market there is a good demand. Country retail business is fair. Building permits are keeping up well, a large number of new residences being constructed.

The salmon canning season will open shortly with practically the same number of canneries operating as at this time a year ago. The output of basic industries is maintaining a good volume. The lumber industry does not show any material improvement, yet it is hoped that the next few weeks will witness an increase both in demand and prices. Labor at this season is well employed, and the demand for berry pickers should take up a part of the surplus available. Automobile sales have been fairly good the past few weeks.

Review of Canadian Trade

ALTHOUGH the weather has shown improvement in some sections, the temperature generally remains too low for a normal movement of seasonable commodities, according to dispatches to *Dun's Review* from branch offices of R. G. DUN & Co. located in the principal Canadian cities. While wholesalers report that sorting up orders are less numerous, retail distribution of warm weather specialties has been stimulated by the close approach of school closings and purchases in anticipation of annual vacations. It is predicted that a spell of really high temperature would result in an active demand for these lines. Staple merchandise, such as groceries, provisions, furniture, cotton goods, hardware, paints, oils, drugs and kindred items are being absorbed in fairly satisfactory volume, but without features of any special significance, and indications seem to be that this condition will be maintained.

Despite the curtailed movement in some lines that has resulted from the backward season, confidence in the future still is the dominating note in the business situation. Manufacturing operations are upon an increasing scale, extensive building undertakings, important mining developments, road building, farm necessities and other outdoor work are providing employment for almost all available skilled and unskilled labor and, as reports of crop progress, especially from the Western provinces, are favorable, in the main, it is confidently believed that a continued and well-sustained demand for practically all classes of staple commodities is assured for some time to come. This feeling is reflected in the growing interest that is being displayed by retailers in widely-separated parts of the country in preparing for the coming Fall and Winter and the number of orders already placed for future delivery are construed as predicated the continuance of general business activity.

There has been no great change in the iron and steel industry, new business rarely extending very far beyond current requirements. While orders usually are moderate in size, they are sufficiently numerous to keep most plants fairly well employed.

Decrease in Unfilled Steel Orders.—Unfilled orders on the books of the United States Steel Corporation on May 31 were 3,050,941 tons, compared with 3,456,132 tons on April 30. This is a decrease of 405,191 tons. The unfilled tonnage a year ago was 3,649,250 tons.

Period.	1927.	1926.	1925.	1924.	1923.
Jan.	3,800,177	4,882,739	5,037,323	4,798,429	6,910,716
Feb.	3,597,119	4,616,822	5,284,771	4,912,901	7,283,989
Mar.	3,553,140	4,379,935	4,863,564	4,782,807	7,403,332
Apr.	3,456,132	3,807,976	4,446,568	4,208,447	7,288,600
May	3,050,941	3,649,250	4,049,800	3,628,089	6,981,831
June ....	.....	3,478,642	3,710,468	3,262,505	6,388,261
July ....	.....	3,602,522	3,539,467	3,187,072	5,910,768
Aug. ....	.....	3,542,335	3,512,803	3,289,577	5,414,666
Sept. ....	.....	3,593,509	3,717,297	3,473,780	5,035,730
Oct. ....	.....	3,683,661	4,109,183	3,525,270	4,672,825
Nov. ....	.....	3,807,447	4,581,780	4,031,969	4,368,594
Dec. ....	.....	3,960,969	5,033,364	4,816,676	4,445,338

The Seaboard National Bank has been appointed trustee under indenture dated June 1, 1927, securing \$700,000 first lien and purchase money 6 per cent. bonds of Knickerbocker Ice Company.

Stocks of Hides and Leather

ACCORDING to government statistics the total of cattle hides held in stock on April 30 by packers, butchers, tanners, dealers and importers, or in transit to them, amounted to 3,160,840, compared with 3,471,302 at the end of March and 4,277,852 on April 30, 1926. Stocks of calf and kip skins on April 30 were 3,607,415, against 3,636,862 on March 31 and 3,672,373 at the end of April, last year. Goat and kid skins numbered 9,425,534 at the end of April, 9,212,325 at the close of March and 7,595,002 at the end of April, 1926. Stocks of sheep and lamb skins on April 30 amounted to 7,323,586; on March 31 to 6,492,557 and on April 30, 1926, to 6,376,655.

Total stocks of cattle hide sole leather reported by tanners, dealers and manufacturers using the leather as a material amounted to 3,343,295 backs, bends and sides on April 30, compared with 3,364,268 for March 31 and 5,565,340 on April 30, last year. Production of sole leather during April totaled 1,396,514 pieces, and stocks in process at the end of April were 4,954,274. Stocks of harness leather on hand April 30 were 282,351 sides, against 348,695 sides on the corresponding date in 1926. Supplies of upholstery leather were 245,008 hides, compared with 273,508 at the end of April, 1926. Holdings of cattle hide upper at the close of April, this year, amounted to 4,356,612 sides, against 5,303,846 in stock a year ago. Stocks of horse leather on April 30 aggregated 513,364 half fronts and 192,738 butts, compared with 477,341 half fronts and 240,439 butts on April 30, 1926. Holdings of finished calf and kip skins on April 30 numbered 6,406,121, goat and kid skins 19,645,157, and sheep and lamb skins 7,537,573. At the same time last year, there were in stock 7,145,967 finished calf and kip skins, 20,281,725 goat and kid, and 8,277,367 sheep and lamb skins.

Sales of Cotton Textiles Gain

SALES of standard-cotton textiles during May were nearly twice as large as they were a year ago, according to statistics compiled by The Association of Cotton Textile Merchants of New York. Unfilled orders established a new high record.

Sales amounted to 328,144,000 yards, or 141.5 per cent. of production, which was 231,874,000 yards. The volume of sales was 91.5 per cent. larger than during the corresponding period in 1926. Unfilled orders on June 1 were 572,009,000 yards, or 20 per cent. larger than on May 1, and equivalent to nearly ten weeks' production at the rate of output during May.

Shipments amounted to 230,665,000 yards, or 99.5 per cent. of production. Stocks on hand aggregated 177,890,000 yards on May 31, an increase of 0.7 per cent. during the month.

The reports compiled by the association are based on yardage statistics on the production and sale of more than 200 classifications of standard cotton cloths during the four weeks of May. They represent a large part of the volume of these goods manufactured in the United States.

Situation in Wool Goods Industry

THE wool goods industry has been attracting particular attention, because of the recent passing of the dividend on the preferred stock of the largest manufacturing and selling unit, for the first time in its history. Some of its recent dividends were paid from its surplus reserves, because its earnings would not cover the whole amount. Divi-

dends on the common stock ceased some time ago.

Raw wool prices are relatively high, in relation to other textiles, both in foreign and domestic markets. Foreign wool consumption has been increasing as fast as various wool manufacturing countries in Europe were able to restore a buying power, and this larger demand was reflected in more active bidding for supplies in Australia and elsewhere, and at the London auctions.

There has been little or no reduction in wages in mill centers in recent months. Costs of production are very high, in relation to pre-war conditions. The restricted consumption of wool goods in recent years has been due, in large part, to the very limited yardage required for women's wear, and to the encroachment of silk as a competing material. The cheapness of cotton this year has enhanced the differences between wool goods and other textile values. The demand for wool products has been increasing in the last few weeks, and it is thought that it will continue to gain.

Federal Bank Deposits Gain

LARGELY as a result of the Treasury's financial operations, the consolidated statement of condition of the Federal Reserve banks on June 15, made public by the Federal Reserve Board, shows declines for the week of \$38,300,000 in holdings of discounted bills and \$39,100,000 in acceptances purchased in open market, and increases of \$89,700,000 in member bank reserve deposits and of \$109,200,000 in government securities holdings, of which included \$185,000,000 of temporary certificates issued by the Treasury to the Federal Reserve banks, pending the collection of the quarterly instalment of taxes. The total bill and security holdings increased \$31,200,000 during the week and cash reserves \$15,500,000. Federal Reserve note circulation declined \$18,500,000.

The Federal Reserve Bank of New York shows a decrease of \$29,300,000 in its discount holdings, Boston \$5,400,000, St. Louis \$3,600,000 and Kansas City \$2,400,000, while the San Francisco bank reports an increase of \$2,800,000. The Federal Reserve Bank of New York also shows a decline of \$32,200,000 in open market acceptance holdings, Boston \$5,400,000 and Dallas \$2,300,000.

Total holdings of Treasury notes were \$33,200,000 below the previous week's total, while holdings of United States bonds increased \$4,500,000 and of Treasury certificates \$137,900,000. Holdings of Treasury certificates included \$135,000,000 of temporary certificates issued by the Treasury to the New York bank and \$59,000,000 to seven other reserve banks pending the collection of the quarterly instalment of taxes.

All of the Federal Reserve banks report a smaller volume of Federal Reserve notes in circulation than a week ago, except Philadelphia and Boston, which show increases of \$1,800,000 and \$600,000, respectively, the principal decreases being: San Francisco \$5,100,000, New York \$4,500,000, Chicago \$3,300,000, Atlanta \$2,400,000 and Cleveland \$2,200,000.

Car-Loadings Show Decline

LOADING of revenue freight for the week ending June 4 totaled 91,298 cars, the Car Service Division of the American Railway Association announced to-day. This was a decrease of 115,099 cars under the preceding week, due principally to the observance of Decoration Day, and also a decrease of 33,566 cars under the corresponding week last year and 86,945 cars under the corresponding week two years ago, which period, however, did not include a holiday.

Miscellaneous freight for the week totaled 346,329 cars, a decrease of 2,183 under the corresponding week last year and 21,063 under the same week in 1925. Loadings of merchandise and less-than-carload-lot freight totaled 227,510 cars, a decrease of 6,945 under the same week last year and 31,384 below the corresponding week two years ago.

Coal loading amounted to 139,572 cars, a decrease of 14,978 under the same week last year and a decrease of 13,655 compared with the same period two years ago.

Grain and grain products totaled 36,418 cars, a decrease of 418 under the same week in 1926 and 1,745 below the same period in 1925. In the Western districts alone grain and grain products totaled 22,896 cars, an increase of 1,013 above the same week last year.

Forest products totaled 64,420 cars, 6,440 below the same week last year and 13,389 under the same week in 1925.

DIVIDEND NOTICE

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Dated July 1, 1927

Interest payable January 1 and July 1 in New York

Due July 1, 1952

Not redeemable prior to July 1, 1947, but on that date or on any subsequent interest date redeemable at the option of the Corporation, as an entirety, at 100% and accrued interest.

Coupon Bonds in denomination of \$1,000, registerable as to principal. Registered Bonds in denominations of \$1,000, \$5,000 and \$10,000. Coupon Bonds and registered Bonds, and the several denominations of registered Bonds, interchangeable.

To be issued under Indenture dated July 1, 1927—The National City Bank of New York, Trustee.

Sosthenes Behn, Esq., President of the Corporation, has summarized as follows his letter to us stating particulars in regard to this issue:

BUSINESS International Telephone and Telegraph Corporation was organized in 1920 to develop electrical communications in the international field. The Corporation's associated telephone companies operate in Spain, Cuba, Porto Rico, Mexico, Chile and Uruguay. The Corporation owns 50% of the stock of Cuban American Telephone and Telegraph Company (the other 50% being owned by the American Telephone and Telegraph Company), which owns the telephone cables connecting the United States and Cuba. It owns the entire capital stock of International Standard Electric Corporation, which, through subsidiaries, operates factories in Europe, South America and the Far East for the manufacture of telephone, telegraph and radio equipment, and distributes such equipment and other electrical supplies in practically all countries of the world except the United States and Canada. The Corporation owns the entire capital stock of the Compagnie des Telephones Thomson-Houston, which is one of the principal manufacturers of telephone equipment in France.

The Corporation has recently acquired, through an exchange of stock, approximately 91% of the outstanding capital stock of All America Cables, Inc., which controls and operates a comprehensive system of nearly 27,000 nautical miles of cables and connecting land lines between North America and Central and South America and the principal West Indian Islands.

PURPOSE OF ISSUE The proceeds of these Bonds will be used chiefly to reimburse the Corporation's treasury for expenditures made for certain recently acquired properties, and to provide funds to be made available to associated companies, principally for additions and betterments to their properties.

CAPITALIZATION The Corporation is calling for redemption on September 1, 1927, at 105% and accrued interest, its outstanding \$25,000,000 Twenty-Year 5½% Convertible Bonds, which are convertible at par on or prior to the date of redemption into common stock at \$125 per share. The Corporation's bankers have contracted with it to purchase and to convert all of such Bonds obtainable on or prior to September 1, 1927, at a fixed premium over the redemption price. Shortly after September 1, 1927, the Corporation is to offer to its then stockholders, including holders of stock issued upon conversion of its Convertible Bonds, additional common stock for subscription at par, at the rate of one share for each eight shares then outstanding, being approximately \$14,500,000 additional common stock.

Upon completion of the foregoing program, these \$35,000,000 Bonds will constitute the Corporation's sole funded debt and the Corporation will have outstanding approximately \$150,000,000 par value of capital stock, including certain stock presently issuable pursuant to authorizations with respect to transactions not yet completed. Associated companies have outstanding in the hands of the public funded debt of \$8,889,370 and preferred stock of \$8,164,506, and the equity of minority holders of common stock in the capital and surplus of such companies is \$8,798,555. The foregoing figures do not include capital liabilities of the Spanish associated company nor of the recently acquired Chill Telephone Company, Ltd., and Montevideo Telephone Company, Ltd., the assets and liabilities of which three companies are not included in the Corporation's consolidated balance sheet.

EARNINGS The aggregate net earnings for the past five years of the Corporation and of the companies which are now its associated companies, as well as the net income before deducting interest charges of the Corporation, are stated below.

Years Ended December 31	Net Earnings*	Charges of Associated Companies†	Net Income
1922	\$ 8,145,363	\$ 1,129,818	\$ 7,015,545
1923	8,122,088	1,055,690	7,066,398
1924	9,693,944	1,212,556	8,481,088
1925	11,892,521	2,317,892	9,574,629
1926	14,580,615	2,895,227	11,685,388

* Including net earnings of All America Cables, Inc., but not including those of the Spanish associated company nor of the recently acquired Chill Telephone Company, Ltd., and Montevideo Telephone Company, Ltd.
† Interest on funded debt, dividends on preferred stocks, and minority stockholders' equity in earnings.

Such net income, in the five years covered by the above table, averaged annually over 5½ times the annual interest requirements of \$1,575,000 on this issue of Bonds, and in 1926 was more than 7 times such Bond interest requirements.

PROVISIONS OF BONDS The Indenture, under which these Bonds are to be issued, will contain a covenant that, except in the case of liens for purchase money or for security for short term loans or for indemnities, the Corporation will not mortgage or otherwise subject to a lien any of its property without thereby securing these Bonds ratably with the obligations secured by such mortgage or pledge or lien.

The foregoing is subject to the more complete statements contained in the circular which may be obtained upon application.

THE ABOVE BONDS ARE OFFERED FOR SUBSCRIPTION, SUBJECT TO THE CONDITIONS STATED BELOW, AT 98% AND ACCRUED INTEREST, TO YIELD OVER 5.05%

Subscription books will be opened at the office of J. P. Morgan & Co. at 10 o'clock A. M., Wednesday, June 15, 1927, and will be closed in their discretion. All subscriptions received are to be subject to the due authorization and issue of the Bonds as planned, and to approval by counsel of the form and validity of the documents and proceedings. The right is reserved to reject any and all applications, and also in any case to allot a smaller amount than applied for.

The amounts due on allotments will be payable at the office of J. P. Morgan & Co., in New York funds to their order, and the date of payment (on or about July 1, 1927) will be stated in the notices of allotment. Temporary Bonds or Interim Certificates, exchangeable for definitive Bonds when prepared, will be delivered.

J. P. MORGAN & CO.

FIRST NATIONAL BANK

BANKERS TRUST COMPANY, New York
EDWARD B. SMITH & CO.

THE NATIONAL CITY COMPANY

GUARANTY COMPANY OF NEW YORK
DOMINICK & DOMINICK

New York, June 15, 1927

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